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LEGISLATIVE HISTORY

PUBLIC LAW 30--80th CONGRESS

CHAPTER 30--1st SESSION

H. J. Res. 146

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DIGEST OF PUBLIC LAW 30

SUGAR CONTROL EXTENSION ACT OF 1947. Continues through October 31, 1947, the authority to control the price, allocation and rationing, importation, and exportation of sugar and related products; and transfers such controls to the Department of Agriculture.

INDEX AND SUMMARY OF HISTORY ON H. J. RES. 146

- February 5, 1947 S. J. Res. 58 introduced by Senator Robertson and was referred to the Senate Committee on Banking and Currency. Print of the Resolution as introduced. (Companion Resolution).
- February 6, 1947 H. J. Res. 112 introduced by Rep. Hale and was referred to the House Committee on Banking and Currency. Print of the Resolution as introduced. (Similar Resolution).
- February 10, 1947 H. J. Res. 115 introduced by Rep. Domengeaux and was referred to the House Committee on Banking and Currency. Print of the Resolution as introduced. (Similar Res.).
- February 18, 1947 H. J. Res. 129 introduced by Rep. Hale and was referred to the House Committee on Banking and Currency. Print of the Resolution as introduced. (Similar Resolution).
- February 27, 1947 Resume of hearings on S. J. Res. 58 before the Senate Banking and Currency Committee. J. H. Marshall, PMA, Sugar Branch, testified.
- March 3, 1947 Amendment proposed by Senator Butler on S. J. Res. 58. Print of the amendment.
- Resume of hearings on S. J. Res. 58 before the Senate Banking and Currency Committee, March 3 and 4. J. H. Marshall, PMA, Sugar Branch, testified.
- March 6, 1947 H. J. Res. 146 introduced by Rep. Wolcott and was referred to the House Committee on Banking and Currency. Print of the Resolution as introduced.
- Hearings: House, H. J. Res. 112, 115, 129, and 146.
- Mr. J. H. Marshall, PMA, Sugar Branch gave prepared testimony at hearings. For this reason the resume was not prepared.

March 7, 1947 Resume of hearings before the House Banking and Currency Committee. J. H. Marshall, PMA, Sugar Branch, testified.

March 10, 1947 Resume of hearings before the House Committee on Banking and Currency. J. H. Marshall, PMA, Sugar Branch, testified.

March 11, 1947 Resume of hearings before the House Committee on Banking and Currency. J. H. Marshall, PMA, Sugar Branch, testified.

March 12, 1947. Resume of hearings before the House Committee on Banking and Currency. J. H. Marshall, PMA, Sugar Branch, testified.

Senate Committee on Banking and Currency reported S. J. Res. 58 with amendments. Senate Report 50. Print of the Resolution as reported.

March 13, 1947 Resume of hearings before the House Committee on Banking and Currency. J. H. Marshall, PMA, Sugar Branch, testified.

March 15, 1947 House Committee on Banking and Currency reported H. J. Res. 146 with amendments. House Report 150. Print of the Resolution as reported.

March 18, 1947 House Rules Committee reported H. Res. 149 for the consideration of H. J. Res. 146. House Report 163. Print of the Resolution.

March 20, 1947 House agreed to the resolution for the consideration of H. J. Res. 146.

March 21, 1947 H. J. Res. 146 was debated in the House and passed with amendments.

March 24, 1947 H. J. Res. 146 ordered to be placed on the calendar of the Senate. Print of the Resolution as placed on the calendar.

Amendment to S. J. Res. 58 proposed by Senator Wherry. Print of the amendment.

March 26, 1947 Senate began debate on S. J. Res. 58.

Amendments to S. J. Res. 58 proposed by Senators Wherry and Tobey. Prints of the amendments.

March 27, 1947

Senate debate concluded. Action on S. J. Res. 58 indefinitely postponed. H. J. Res. 146 passed with amendments with provisions of S. J. Res. 58.

H. J. Res. 146 printed with the amendment of the Senate.

Senate Conferees appointed.

March 28, 1947

House Conferees appointed.

Remarks of Rep. Gamble.

House received Conference Report. House Report 202.

March 31, 1947

House and Senate agreed to Conference Report.

Remarks of Senator John J. Sparkman.

March 31, 1947

Approved. Public Law 30.

80TH CONGRESS
1ST SESSION

S. J. RES. 58

IN THE SENATE OF THE UNITED STATES

FEBRUARY 5, 1947

Mr. ROBERTSON of Wyoming introduced the following joint resolution; which was read twice and referred to the Committee on Banking and Currency

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Whereas the war has resulted in an acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national defense and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation, and speculation in sugar and waste or spoilage of perishable agricultural commodities and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*

1 That, notwithstanding any other provisions of law, (1) the
2 Emergency Price Control Act of 1942 (56 Stat. 23) ; the
3 Stabilization Act of 1942 (56 Stat. 765) ; title III and title
4 XIV of the Second War Powers Act, 1942 (56 Stat. 177) ;
5 and the Act of July 2, 1940 (54 Stat. 714) , all as amended
6 and extended, shall continue in effect with respect to sugar
7 to and including March 31, 1948; (2) sugar may be allo-
8 cated without regard to the provisions of title II of the War
9 Mobilization and Reconversion Act of 1944 (58 Stat. 787) ;
10 and (3) the term "sugar", as used in this Act, means any
11 grade or type of saccharine product derived from sugarcane,
12 sugar beets, or corn, including liquid sugar, sirups, molasses,
13 or mixtures thereof, and sugar-containing products, which
14 contain sucrose, dextrose, or levulose.

15 SEC. 2. The Secretary of Agriculture is hereby au-
16 thorized and directed to remove any or all controls with
17 respect to any other product over which control is au-
18 thorized by this Act prior to its expiration when in his
19 judgment the supplies of sugar are sufficient to warrant such
20 action.

21 SEC. 3. (a) The powers, functions, and duties of (1)
22 the President under title III of the Second War Powers
23 Act, 1942, (2) the President or any executive department

1 under the Act of July 2, 1940, and (3) the Price Adminis-
2 trator under the Emergency Price Control Act of 1942 and
3 the Stabilization Act of 1942, all as amended and extended,
4 shall, insofar as they relate to sugar, be vested in and exe-
5 cuted by the Secretary of Agriculture upon the enactment
6 of this Act.

7 (b) All orders, directives, rules, and regulations re-
8 lating to any function transferred by this section or issued
9 in connection therewith by any agency heretofore perform-
10 ing such function, which are in effect on the date of enact-
11 ment of this Act, shall continue in full force and effect
12 unless and until modified or revoked by the Secretary of
13 Agriculture or at his direction or under his authorization.

14 (c) So much of the unexpended balances, appropria-
15 tions, or other funds available for the use of any agency in
16 the exercise of the functions transferred by this Act as the
17 Director of the Bureau of the Budget shall determine shall
18 be transferred for use in connection with the exercise of
19 such functions.

20 (d) With respect to violations, liabilities incurred, or
21 appeals taken thereunder, all provisions of orders, directives,
22 rules, and regulations, pertaining to sugar heretofore used
23 under the Act referred to in section 1 hereof, shall be

1 deemed to remain in full force and effect for the purpose
2 of sustaining any proper suit, action, or other proceeding
3 with respect to any such violations, liabilities, or appeals.

4 SEC. 4. The provisions of this Act shall become effective
5 immediately upon enactment.

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

By Mr. ROBERTSON of Wyoming

FEBRUARY 5, 1947

Read twice and referred to the Committee on
Banking and Currency

80TH CONGRESS
1ST SESSION

H. J. RES. 112

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 1947

Mr. HALE introduced the following joint resolution; which was referred to the Committee on Banking and Currency

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Whereas the war has resulted in an acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national defense and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation and speculation in sugar, waste or spoilage of perishable agricultural commodities, and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*

1 That notwithstanding any other provisions of law (1) the
2 Emergency Price Control Act of 1942 (56 Stat. 23), the
3 Stabilization Act of 1942 (56 Stat. 765), title III and
4 title XIV of the Second War Powers Act, 1942 (56 Stat.
5 177), and the Act of July 2, 1940 (54 Stat. 714), all as
6 amended and extended, shall continue in effect with respect
7 to sugar to and including March 31, 1948; (2) sugar may
8 be allocated without regard to the provisions of title II of
9 the War Mobilization and Reconversion Act of 1944
10 (58 Stat. 787); and (3) the term "sugar", as used in
11 this Act, means any grade or type of saccharine product
12 derived from sugarcane, sugar beets, or corn, including
13 liquid sugar, sirups, molasses, or mixtures thereof, and
14 sugar-containing products, which contain sucrose, dextrose,
15 or levulose.

16 SEC. 2. Prior to the expiration of this Act, the Secretary
17 of Agriculture is hereby authorized and directed to remove
18 any or all controls with respect to any product over which
19 control is authorized by this Act when in his judgment the
20 supplies of sugar are sufficient to warrant such action.

21 SEC. 3. (a) The powers, functions, and duties of (1)
22 the President under title III of the Second War Powers Act,
23 1942; (2) the President or any executive department under

1 the Act of July 2, 1940; and (3) the Price Administrator
2 under the Emergency Price Control Act of 1942 and the
3 Stabilization Act of 1942, all as amended and extended,
4 shall, insofar as they relate to sugar, be vested in and
5 executed by the Secretary of Agriculture upon the enactment
6 of this Act.

7 (b) All orders, directives, rules, and regulations relat-
8 ing to any function transferred by this section or issued in
9 connection therewith by any agency heretofore performing
10 such function, which are in effect on the date of enactment
11 of this Act, shall continue in full force and effect unless and
12 until modified or revoked by the Secretary of Agriculture
13 or at his direction or under his authorization.

14 (c) So much of the unexpended balances, appropria-
15 tions, or other funds available for the use of any agency in
16 the exercise of the functions transferred by this Act as the
17 Director of the Bureau of the Budget shall determine, shall
18 be transferred for use in connection with the exercise of such
19 functions.

20 (d) With respect to violations, liabilities incurred, or
21 appeals taken thereunder, all provisions of orders, directives,
22 rules, and regulations, pertaining to sugar heretofore used
23 under the Act referred to in section 1 hereof, shall be

1 deemed to remain in full force and effect for the purpose of
2 sustaining any proper suit, action, or other proceeding with
3 respect to any such violations, liabilities, or appeals.

4 SEC. 4. The provisions of this Act shall become effective
5 immediately upon enactment.

80TH CONGRESS
1ST SESSION

H. J. RES. 112

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

By Mr. HALE

FEBRUARY 6, 1947

Referred to the Committee on Banking and Currency

80TH CONGRESS
1ST SESSION

H. J. RES. 115

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 10, 1947

Mr. DOMENGEAUX submitted the following resolution; which was referred to the Committee on Banking and Currency

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Whereas the war has resulted in a temporarily acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national welfare and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation, speculation in sugar and waste or spoilage of perishable agricultural commodities, and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

- 1 *Resolved by the Senate and House of Representatives*
 - 2 *of the United States of America in Congress assembled,*
-

1 That, notwithstanding any other provisions of law, (1) the
2 Emergency Price Control Act of 1942 (56 Stat. 23) ; the
3 Stabilization Act of 1942 (56 Stat. 765) ; title III and
4 title XIV of the Second War Powers Act, 1942 (56 Stat.
5 177) ; and the Act of July 2, 1940 (54 Stat. 714), all as
6 amended and extended, shall continue in effect with respect
7 to sugar to and including October 31, 1947, except that the
8 authority to establish inventory controls may be exercised
9 until March 31, 1948; (2) the allocation of sugar to sugar-
10 using industries shall be made by the Secretary of Agriculture
11 on the basis of past historical use of sugar during a recent
12 representative period: *Provided, however,* That the Secretary
13 shall promulgate regulations to carry out this legislation and
14 to provide for a reasonable allocation of sugar to applicants
15 who have become industrial users subsequent to such repre-
16 sentative period and who will suffer a hardship without such
17 an allocation; (3) the regulation, distribution, method of
18 allocation, and rationing of sugar are specifically exempted
19 from the provisions of title II of the War Mobilization and
20 Reconversion Act of 1944 (58 Stat. 785) ; and (4) the
21 term "sugar" as used herein shall have the same meaning
22 as is given such term by amendment 1 of August 21, 1946,
23 and amendment 2 of October 18, 1946, to War Food Order
24 Numbered 64 of May 26, 1943.

1 SEC. 2. The Secretary of Agriculture is hereby author-
2 ized and directed to remove controls (1) on the price of
3 sugar, and (2) on the distribution of sugar, or either of them,
4 at any time prior to October 31, 1947, when in his judg-
5 ment the supplies of sugar are sufficient to warrant such action.

6 SEC. 3. (a) The powers, functions, and duties of (1)
7 the President under title III of the Second War Powers Act,
8 1942, (2) the President or any executive department under
9 the Act of July 2, 1940, and (3) the Price Administrator
10 under the Emergency Price Control Act of 1942 and the
11 Stabilization Act of 1942, all as amended and extended, shall,
12 insofar as they relate to sugar, be vested in and executed by
13 the Secretary of Agriculture upon the enactment of this Act.

14 (b) All orders, directives, rules, and regulations relating
15 to any function transferred by this section or issued in con-
16 nection therewith by any agency heretofore performing such
17 function, which are consistent with the provision here of
18 and in effect on the date of enactment of this Act, shall
19 continue in full force and effect unless and until modified or
20 revoked by the Secretary of Agriculture or at his direction
21 or under his authorization.

22 (c) So much of the unexpended balances, appropriations,
23 or other funds available for the use of any agency in the
24 exercise of the functions transferred by this Act as the

1 Director of the Bureau of the Budget shall determine shall
2 be transferred for use in connection with the exercise of such
3 functions.

4 SEC. 4. In order to safeguard the equal distribution of
5 supplies to all consumers, the Secretary of Agriculture is
6 hereby authorized to establish inventory controls over sugar
7 stocks which in the case of any individual industrial user
8 shall not exceed his sixty-day operating supply. Such
9 authority may be exercised until March 31, 1948.

10 SEC. 5. Nothing in this Act shall be construed to extend
11 powers of control contained in the Acts of Congress men-
12 tioned in section 1 hereof as they may apply to any type
13 of edible molasses or sirup.

14 SEC. 6. The authority and powers granted to the Sec-
15 retary of Agriculture under this Act may be extended for
16 a period during which Congress may not be in session and
17 ending within ninety days after Congress shall have con-
18 vened, but in no event beyond March 1, 1948, except as
19 to inventory controls under section 4 hereof: *Provided*,
20 That the Secretary shall, prior to October 15, 1947, formally
21 certify to the Congress of the United States that there exists
22 or there is in immediate prospect a major emergency of
23 disaster proportions for the consumers of sugar in the United
24 States.

25 SEC. 7. Provision shall be made for the producer of

1 sugar beets or sugarcane to obtain sugar manufactured from
2 his products ration-free and tax-exempt for use of his family
3 and household in accordance with the provisions of section
4 402 of the Sugar Act of 1937.

5 SEC. 8. The provisions of this Act shall become effective
6 immediately upon enactment.

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

By Mr. DOMENGEAUX

FEBRUARY 10, 1947

Referred to the Committee on Banking and Currency

80TH CONGRESS
1ST SESSION

H. J. RES. 129

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 18, 1947

Mr. HALE introduced the following joint resolution; which was referred to the Committee on Banking and Currency

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Whereas the war has resulted in an acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national defense and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation, and speculation in sugar; waste or spoilage of perishable agricultural commodities; and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

- 1 *Resolved by the Senate and House of Representatives*
- 2 *of the United States of America in Congress assembled,*

1 That notwithstanding any other provisions of law (1) the
2 Emergency Price Control Act of 1942 (56 Stat. 23), the
3 Stabilization Act, 1942 (56 Stat. 765), title III and title
4 XIV of the Second War Powers Act, 1942 (56 Stat. 177),
5 and the Act of July 2, 1940 (54 Stat. 714), all as amended
6 and extended, shall continue in effect with respect to sugar
7 to and including March 31, 1948; (2) sugar may be allocated
8 without regard to the provisions of title II of the War
9 Mobilization and Reconversion Act of 1944 (58 Stat. 787);
10 and (3) the term "sugar", as used in this Act, means any
11 grade or type of saccharine product derived from sugarcane,
12 sugar beets, or corn, including liquid sugar, sirups, molasses,
13 or mixtures thereof, and sugar-containing products, which
14 contain sucrose, dextrose, or levulose: *Provided*, That the
15 authority contained herein shall not be deemed to permit the
16 allocation or rationing of, or price control over, any product
17 unless a regulation with respect to such product was out-
18 standing or in effect on February 18, 1947, other than the
19 allocation of such products imported or brought into the
20 continental United States. Notwithstanding the foregoing
21 provisions of this section, the Secretary shall, in a manner
22 consistent with the maintenance of an effective national
23 allocation and rationing program, give consideration to the

1 needs of new sugar users and those who have no base period
2 history.

3 SEC. 2. Prior to the expiration of this Act, the Secretary
4 of Agriculture is hereby authorized and directed to remove
5 any or all controls with respect to any product over which
6 control is authorized by this Act when he determines that
7 the supplies of sugar are sufficient to warrant such action.
8 In connection with such determinations, the Secretary shall
9 continuously review the world sugar situation and shall,
10 unless such controls are removed prior thereto, report to the
11 Congress on October 15, 1947, and quarterly thereafter,
12 giving the current facts and reasons for his determination
13 that any such controls are warranted after October 15, 1947,
14 or after the date of any subsequent report.

15 SEC. 3.. (a) The powers, functions, and duties of (1)
16 the President under title III of the Second War Powers
17 Act, 1942; (2) the President or any executive department
18 under the Act of July 2, 1940; and (3) the Price Ad-
19 ministrator under the Emergency Price Control Act of 1942
20 and the Stabilization Act of 1942, all as amended and
21 extended, shall, insofar as they relate to sugar, be vested
22 in and executed by the Secretary of Agriculture upon the
23 enactment of this Act.

1 (b) All orders, directives, rules, and regulations relating
2 to any function transferred by this section or issued in con-
3 nection therewith by any agency heretofore performing
4 such function, which are in effect on the date of enactment
5 of this Act, shall continue in full force and effect unless and
6 until modified or revoked by the Secretary of Agriculture
7 or at his direction or under his authorization.

8 (c) So much of the unexpended balances of appro-
9 priations, allocations, or other funds and the property avail-
10 able for the use of any agency in the exercise of any function
11 transferred by this Act or for the use of the Secretary of
12 Agriculture in the exercise of any function so transferred,
13 as the Director of the Bureau of the Budget shall determine,
14 shall be transferred for use in connection with the exercise
15 of such functions. In determining the amount to be trans-
16 ferred, the Director of the Bureau of the Budget may include
17 an amount to provide for the liquidation of obligations in-
18 curred against such balances of appropriations, allocations, or
19 other funds prior to the transfer. There are authorized to be
20 appropriated to the Secretary of Agriculture such sums as
21 may be necessary to carry out the provisions of this Act.

22 (d) With respect to violations, liabilities incurred, or
23 appeals taken thereunder, all provisions of orders, directives,
24 rules, and regulations, pertaining to sugar heretofore used
25 under the Act referred to in section 1 hereof, shall be deemed

1 to remain in full force and effect for the purpose of sustaining
2 any proper suit, action, or other proceeding with respect to
3 any such violations, liabilities, or appeals.

4 SEC. 4. The provisions of this Act shall become effective
5 immediately upon enactment.

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

By Mr. HALE

FEBRUARY 18, 1947

Referred to the Committee on Banking and Currency

OFFICE OF DOMESTIC AND FOREIGN
Legislative Reports and Service Section

(For administrative information only)

HEARINGS ON S. J. RES. 58 BEFORE SENATE BANKING AND CURRENCY COMMITTEE, FEBRUARY 27,
1947

During the morning session of the hearings, the Government witnesses were heard in the following order: J. H. Marshall, Director, Sugar Branch; George Rice, CPA (with legal counsel), and Francis Linville, State Department. During the afternoon session proponents of the resolution appeared and, with very little reservation, endorsed the resolution. The witnesses included a cross-section of cane sugar refiners, continental processors and producers, and industrial users. Mr. Shield's presentation represented the views of the American Beet Sugar Industry Policy Committee, which includes all growers and processors in the sugar beet industry.

The Committee's questioning seemed to be pointed to clarifying the record on three issues: (1) the transfer of sugar rationing responsibility to the Department of Agriculture, (2) the maintenance of the historical basis for rationing, and (3) the availability of more sugar under decontrol conditions.

On point 1, a few of the proponents for the transfer of the responsibility to the Department were insistent that, if the transfer were not made, they would be opposed to the continuation of controls. The majority favored the transfer. On point 2, it was made clear to the Committee that a rationing program could not be handled on other than an historical basis at this time, and that the adoption by Congress of S. J. Res. 58 would clarify this situation. Under point 3, a discussion centered around undesignated sugars and resolved itself to the Java situation. There was a difference of opinion on how much sugar was available in Java, but it was agreed that the amount which was likely to become available in 1947 would probably not exceed 200,000 to 300,000 tons. It was also agreed that from 1,000,000 to 2,000,000 tons more sugar than the 6,000,000 tons presently available to the U. S., would be required to satisfy consumer demand and replenish stocks.

The Committee plans to hear opponents to the resolution on Monday.

James H. Marshall*
Director, Sugar Branch, PMA

*In cooperation with the Legislative Reports and Service Section.

80TH CONGRESS
1ST SESSION

S. J. RES. 58

IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 19), 1947

Referred to the Committee on Banking and Currency and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. BUTLER to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, viz:

- 1 On page 2, line 7, strike out "March 31, 1948" and
- 2 insert in lieu thereof "October 31, 1947".

3-3-47—A

AMENDMENT

Intended to be proposed by Mr. BUTLER to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

MARCH 3 (legislative day, FEBRUARY 19), 1947
Referred to the Committee on Banking and Currency
and ordered to be printed

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section

(For administrative information only)

HEARINGS ON S. J. RES. 58 BEFORE SENATE BANKING AND CURRENCY COMMITTEE,
MARCH 3 AND 4, 1947

On Monday March 3, there were seven witnesses scheduled to appear, however, only four different representatives appeared since there were three persons from one company and two from another company who gave similar statements. Of the four, one was a lady representing the WCIU who objected to allotments for the use of sugar or molasses in malt beverages. The others represented three different soft drink bottlers. One represented the Coca-Cola company franchised in Miami who objected to a particular hardship provision. He did not represent the views of the Coca-Cola company.

Three person from the Seven-Up company actually appeared for decontrol. However, their views did not represent the views of the parent Seven-Up company. The principal witness was Mr. Walter Mack of the Pepsi-Cola company. He spoke on two issues: (1) That the present resolution, in effect, set aside the provisions of the War Mobilization Act to provide for new users and a different type of rationing at higher levels of sugar supplies. (He indicated that he was speaking on the basis of a large list of small franchised Pepsi-Cola bottlers and other small businesses.) (2) That it was his position that sugar should be decontrolled as to use, and that to protect consumers, a price ceiling of 15 cents should be established together with inventory control to a 30-day supply.

To summarize Monday's testimony, it appears that a segment of the soft drink industry, not a majority, favored decontrol, either wholly or in part, and was the only representation against continuation of controls. It appears that the issues before the Senate Banking and Currency Committee are likely on the question of the type of controls, i.e., whether to leave the Joint Resolution as written which in effect continues the historical basis for rationing and at the same time sets aside the ruling by the court on the Moberly milk case and other cases arising out of the present legislation requiring provision for new users and adjustments at the higher rate of rationing which is expected to be in effect from April 1 through the balance of the year. Mr. Marshall was present and answered a few questions at various points of the testimony.

On Tuesday, March 4, the Committee heard rebuttals on some of the issues presented at the previous hearings. The discussion centered around the points presented by Walter Mack of the Pepsi-Cola Company. In his previous testimony, Mr. Mack indicated that (1) he definitely felt that new users should be permitted to obtain a sugar base for operation as provided in the War Mobilization and Reconversion Act, and (2) after thinking it over (in the light of continued optimism regarding the Cuban crop), that decontrol of sugar should be favored at this time. He stressed that, if controls were not lifted at this time, it would be a year before supplies would again be plentiful from the new off-shore crops. This point concerning the adequacy of supplies was continuously probed by Senator McCarthy of Wisconsin. The Senator indicated that the testimony showed that, by the end of this year, a gain in stocks of about 500,000 tons would be in sight; a higher Cuban production of 300,000 tons would be likely, and

that there would be over 1,000,000 tons in Java as stated by some witnesses, and that, therefore, the situation was not as acute as indicated.

In rebuttal it was stated by various witnesses that actually the sugar supply was not as adequate as some would lead us to believe. For example, Mr. Harold Smith, Manager of the NCA Washington office, read a four-page telegram from Edwin O. Blomquist, Chairman of the FIC Sugar Committee which stated, in effect, that he saw no reason to change the views as outlined in the Sugar Committee report, particularly since (1) the amount allocated for civilians was 200,000 tons less than requested, and (2) past experience has shown that supplies are uncertain as to the Cuban crop as well as the other 1947 supplies.

Mr. Marshall told the committee that if Congress required that a provision be made for additional sugar for condensed milk, that it would be necessary for the Department to cut the allocations to other users since there was insufficient sugar to cover any additional requirements.

James H. Marshall*
Director, Sugar Branch, P&MA

*In cooperation with the Legislative Reports and Service Section.

80TH CONGRESS
1ST SESSION

H. J. RES. 146

IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 1947

Mr. WOLCOTT introduced the following joint resolution; which was referred to the Committee on Banking and Currency

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Whereas the war has resulted in an acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national defense and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation, and speculation in sugar; waste or spoilage of perishable agricultural commodities; and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*

1 That notwithstanding any other provisions of law (1) the
2 Emergency Price Control Act of 1942 (56 Stat. 23), the
3 Stabilization Act, 1942 (56 Stat. 765), title III and title
4 XIV of the Second War Powers Act, 1942 (56 Stat. 177),
5 and the Act of July 2, 1940 (54 Stat. 714), all as amended
6 and extended, shall continue in effect with respect to sugar
7 to and including March 31, 1948, except that no civil action
8 for damages shall be instituted under this Act and no criminal
9 action may be prosecuted other than for violation of section 4:
10 *Provided*, That the authority contained herein shall not be
11 deemed to permit the allocation or rationing of, or price
12 control over, any product unless a regulation with respect
13 to such product was outstanding or in effect on February
14 18, 1947, other than the allocation of such products im-
15 ported or brought into the continental United States. Not-
16 withstanding the foregoing provisions of this section, the
17 Secretary shall, in a manner consistent with the main-
18 tenance of an effective national allocation and rationing pro-
19 gram, provide for the needs of new sugar users and those
20 who have no base period history.

21 SEC. 2. Prior to the expiration of this Act, the Secretary
22 of Agriculture is hereby authorized and directed to remove
23 any or all controls with respect to any product over which
24 control is authorized by this Act when he determines that
25 the supplies of sugar are sufficient to warrant such action.

1 In connection with such determination, the Secretary shall
2 continually review the world sugar situation and shall, unless
3 such controls are removed prior thereto, certify to the Con-
4 gress on or before October 15, 1947, that continuation of
5 controls authorized herein beyond October 31, 1947, is neces-
6 sary, giving the current facts and reasons for his determina-
7 tion. If the Secretary fails to so certify, controls authorized
8 by this Act will terminate as of October 31, 1947, except
9 that authority to continue inventory controls may be exer-
10 cised until March 31, 1948.

11 SEC. 3. (a) The powers, functions, and duties of (1)
12 the President under title III of the Second War Powers
13 Act, 1942; (2) the President or any executive department
14 under the Act of July 2, 1940; and (3) the Price Ad-
15 ministrator under the Emergency Price Control Act of 1942
16 and the Stabilization Act of 1942, all as amended and
17 extended, shall, insofar as they relate to sugar be, vested
18 in and executed by the Secretary of Agriculture upon the
19 enactment of this Act.

20 (b) All orders, directives, rules, and regulations relating
21 to any function transferred by this section or issued in con-
22 nection therewith by any agency heretofore performing
23 such function, and not in conflict with the provisions of this
24 Act, which are in effect on the date of enactment of this
25 Act, shall continue in full force and effect unless and until

1 modified or revoked by the Secretary of Agriculture or at
2 his direction or under his authorization.

3 (c) So much of the unexpended balances of appro-
4 priations, allocations, or other funds and the property avail-
5 able for the use of any agency in the exercise of any function
6 transferred by this Act or for the use of the Secretary of
7 Agriculture in the exercise of any function so transferred,
8 as the Director of the Bureau of the Budget shall determine,
9 shall be transferred for use in connection with the exercise
10 of such functions. In determining the amount to be trans-
11 ferred, the Director of the Bureau of the Budget may include
12 an amount to provide for the liquidation of obligations in-
13 curred against such balances of appropriations, allocations, or
14 other funds prior to the transfer. Such personnel as required
15 may also be transferred temporarily to the Department of
16 Agriculture pending termination in whole or in part of the
17 functions authorized hereunder. There are authorized to be
18 appropriated to the Secretary of Agriculture such sums as
19 may be necessary to carry out the provisions of this Act.

20 (d) Notwithstanding any other provisions of this Act,
21 with respect to violations, liabilities incurred, or appeals
22 taken thereunder, all provisions of orders, directives, rules,
23 and regulations, pertaining to sugar heretofore used under
24 the Acts referred to in section 1 hereof, shall be deemed
25 to remain in full force and effect for the purpose of sustaining

1 any proper suit, action, or other proceeding with respect to
2 any such violations, liabilities, or appeals.

3 SEC. 4. (a) It shall be unlawful for any person to do
4 or omit to do any act in violation of any order, directive,
5 rule, or regulation transferred or issued under section 3.

6 (b) It shall be unlawful for any officer or employee
7 of the Government, or any adviser or consultant to the
8 Secretary of Agriculture in his official capacity to disclose,
9 otherwise than in the course of official duty any information
10 obtained under this Act, or to use any such information for
11 personal benefit.

12 (c) Any person who willfully violates any provision of
13 this section shall, upon conviction thereof, be subject to a
14 fine of not more than \$5,000, or to imprisonment for not
15 more than two years in the case of a violation of subsection
16 (b) and for not more than one year in all other cases, or
17 to both such fine and imprisonment.

18 SEC. 5. As used in this Act—

19 (a) The term “person” includes an individual, corpora-
20 tion, partnership, association, or any other organized group
21 of persons, or legal successor or representative of any of the
22 foregoing: *Provided*, That no punishment provided by this
23 Act shall apply to the United States, or to any such govern-
24 ment, political subdivision, or agency.

25 (b) The term “sugar” means any grade or type of sac-

1 charine product derived from sugarcane, sugar beets, or corn,
2 including liquid sugar, sirups, molasses, or mixtures thereof,
3 and sugar-containing products, which contain sucrose, dex-
4 trose, or levulose.

5 SEC. 6. The provisions of this Act shall become effective
6 immediately upon enactment.

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

By Mr. WOLCOTT

MARCH 6, 1947

Referred to the Committee on Banking and Currency

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section

(For administrative information only)

HEARINGS BEFORE HOUSE BANKING AND CURRENCY COMMITTEE ON THE EXTENSION OF
RATIONING AND PRICE CONTROL, MARCH 7, 1947

During the entire morning and for most of the afternoon I was questioned on all phases of sugar as well as on some matters not entirely related to sugar. There were three other witnesses: a lady representing the WCTU who gave a very brief statement for the record; Congressman Domengoux who spoke with reference to the time of decontrol as it affected Louisiana; and a very brief statement by Congressman Hale who had presented H. J. Res. 129.

Before submitting to questions by the Committee, I read a brief statement covering about four or five questions that the Committee chairman had presented on Thursday.

The questions asked by the Committee on Friday were along the following lines:

1. Whether continued controls are necessary and, if necessary now, when they could be lifted.
2. Whether modified controls would be sufficient: (a) Rationing without price control; (b) Price control without rationing; (c) Items (a) and (b) with addition of inventory control.
3. The Department's interpretation of the "new users" provision of the Bill.
4. The legal basis for the Secretary of Agriculture's (or the President's) authority to accept IEFC recommendations.

In connection with question 1, I explained that, with a potential demand of 8,000,000 to 8,500,000 tons for 1947 as against an estimated supply of 6,500,000, controls are necessary to assure equitable distribution to all consumers at a reasonable price; that if 1947 supplies materialized as expected, and if 1948 world supplies are at a still higher level (as is also expected) it would appear that controls could be lifted by March 31, 1948, although some type of inventory control after this date might be necessary.

Regarding question 2, I stated that it was the Department's feeling that the present form of rationing was necessary so long as supplies are in as short supply as at present, since the lifting of the rationing provisions would result in inequitable distribution and that since the lifting of the price provisions would not increase the supply materially and would work a hardship on the consumer. Inventory controls, alone, would be difficult to administer and would not insure each consumer, particularly the household, of obtaining his proportionate share of the supplies.

In regard to question 3, I stated that we felt that the provisions of the bill regarding new users should be classified as to the intent of Congress and that, although some thought had been given to the Department to this question in general, since a copy of the bill was not previously available, an interpretation of the provisions as written had not been made.

Regarding question 4, I explained that, as stated in my testimony earlier in the day, the IIFC has no mandatory functions but is merely a recommending body and that authority for the President, and through the President for the Secretary, to implement the recommendations of the Council is derived from the Second War Powers Act.

Resumption of hearings is scheduled for Monday morning at 10 o'clock.

James H. Marshall*
Director, Sugar Branch, FIA

*In cooperation with the Legislative Reports and Service Section.

(For administrative information only)

HEARINGS BEFORE HOUSE COMMITTEE ON BANKING AND CURRENCY REVISIONS
OF PATENTING AND PRICE CONTROL, MARCH 10, 1943

Monday's testimony centered around H. J. Lee, 145, presented by Chairman Wolcott of the House Banking and Currency Committee. Throughout the morning session and during the better part of the afternoon session George Dice of the OPA testified before the Committee. His testimony was extensive on the explanation of rationing policies with reference to industrial users and his thinking on the question of "new users." He concluded that a program for new users, such as is required under existing law, would be excessive, and recommended that very little change be made in the present rationing regulation.

Following Mr. Dice, testimony was given by: Carl G. Wilson, President of CMI; Ellsworthunker, President, National Sugar Refining Company, and Chairman, U. S. Cane Sugar Refiners' Association; Harold Smith, Manager of NCA's Washington office, and Joseph Green, representing the American Bakers Association. Without exception, these men testified that, in their opinion, the current situation required that, in the best interests of the public, authority for rationing and price control should be continued through March 31, 1943. In all cases, they indicated that they were against extending controls widely but that this was not the time to remove controls, and that the question of removing controls sooner than March 31, 1943, should be left to the discretion of the Secretary of Agriculture.

They all commented on the "new user" question with varying degrees of emphasis but were unanimous in their feeling that the introduction of any type of new-user formula at this time would not be practical.

J. M. Marshall
Director, Sugar Branch, OPA

*In cooperation with the Legislative Reports and Service Section

OFFICE OF ENERGY AND MINERAL RESOURCES
Legislative Reports and Service Section

(For administrative information only)

HEARINGS BEFORE HOUSE BANKING AND CURRENCY COMMITTEE ON CONTINUATION OF SUGAR
RATIONING AND PRICE CONTROL, MARCH 11, 1947

Mr. Holman, representing the Dairy Industry Council, requested that some sugar be set aside for distress cases where food spoilage was imminent. His main interest was in the manufacture of sweetened condensed milk.

Mr. Blomquist, Chairman of the Food Industry Council Sugar Committee, testified in favor of the continuance of controls and was heard during most of Tuesday's session. Copies of the Sugar Committee's analysis of the sugar situation were given to the Committee for their consideration and most of Mr. Blomquist's opening statement was based on the recommendation of the Committee.

The witness pointed out the extensive agreement among all segments of the industry and among sugar users as to the advisability of continuing sugar controls at a time when business generally has been anxious to rid itself of Government controls.

Mr. Blomquist criticized the suggestion that inventory controls on sugar would be an effective substitute for the present rationing controls. He pointed out that users, such as confectioners, could manufacture candy and stockpile it and so reduce their sugar stocks. It was his contention that any plan of inventory control should be based on finished goods.

In regard to decontrol, Mr. Blomquist felt that immediate steps should be taken toward orderly decontrol. He recommended that the sugar futures market be reopened by July 1, 1947. In answer to a question as to how high prices would go if sugar were decontrolled now, Mr. Blomquist stated that it was his opinion that the price would go to 20 cents a pound. He said that if it went to only 15 cents a pound, it would cost the United States consumers about 1 billion dollars more this year for their sugar with no guarantee of securing more sugar. Mr. Blomquist reviewed the disastrous results of abrupt decontrol in 1920 on sugar users and pointed out that the same conditions could result at this time with premature decontrol.

The witness felt that supplies would be sufficient to end controls by 1948. The question was raised whether the present price to the sugar grower as compared to other crops, such as wheat and grains, was equitable and would result in increased production. Mr. Blomquist indicated that he felt that production would show a considerable increase for 1948 consumption.

Regarding new users, Mr. Blomquist stated that present users have gone through the war years with short supplies and the sugar which would be made available to new users would be at the expense of those companies that have operated under difficulties for the last five years.

A representative of the WCTU also appeared and proposed that no sugar be allocated to brewers or distillers so long as it is in short supply.

J. H. Marshall*
Director, Sugar Branch, FMA

*In cooperation with the Legislative Reports and Service Section.

EXTENSION OF SUGAR CONTROLS

MARCH 12 (legislative day, FEBRUARY 19), 1947.—Ordered to be printed

Mr. FLANDERS, from the Committee on Banking and Currency, submitted the following

REPORT

[To accompany S. J. Res. 58]

The Committee on Banking and Currency, to whom was referred the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, having considered the same, report favorably thereon with amendments and recommend that the joint resolution as amended do pass.

In substance Senate Joint Resolution 58, as amended, would permit Government control over sugar through March 31, 1948. It would transfer all control to the Secretary of Agriculture immediately, and authorize and direct the Secretary to remove any or all controls before March 31, 1948, as conditions warrant.

This report is divided into two parts. Part 1 sets forth the factors which require the continuation of sugar control. Part 2 explains the principal features of Senate Joint Resolution 58 and the committee amendments thereto.

FACTORS REQUIRING THE CONTINUATION OF SUGAR CONTROL

WORLD PRODUCTION

World production of sugar for the 5 years (1935-39) just prior to World War II averaged about 35,000,000 tons.¹ Production fell off very sharply in 1941; total world tonnage in the 1941-42 crop year was almost 4,000,000 tons less than world production in the previous year.² Even further declines were registered during the course of the

¹ Reference to tons will be in terms of short tons, raw value. A short ton is 2,000 pounds; 1.07 pounds of raw sugar equals a pound of refined sugar.

² Crop-year production represents as closely as possible sugar which will be available for marketing during the calendar year following its commencement. Generally the sugar-harvesting season begins in the fall months of the first year shown, or in the early months of the second year, except in certain cane-sugar producing areas of the Southern Hemisphere such as Argentina, Australia, Mauritius, Union of South Africa, etc., where the season begins in May or June of the second year shown.

war. Production in the 1945-46 crop-year shows only 26,685,000 tons, the lowest since the early 20's and only slightly more than three-quarters of the 1935-39 average production. Although the 1946-47 production is tentatively estimated at a little over 30,000,000 tons, world production is still more than 4,000,000 tons (about 12 percent) shy of prewar average production.

The bulk of the decrease in sugar production during the war years was in Europe and Asia. European production in 1945-46 dropped to about 5½ million tons, a decline of about 47 percent from a prewar (1935-39) production. The principal sugar-producing countries of Europe are the USSR, Germany, and France; collectively, these countries produced slightly more than 6,000,000 tons of sugar, or about 60 percent of European production in 1935-39. In 1945-46 sugar production in these countries was below 3,000,000 tons, or less than half of normal prewar production. Preliminary estimates indicate a 1946-47 European crop of 7,377,000 tons, still 3,000,000 tons below prewar levels. Even more striking was the decline in production in Java, Formosa, and the Philippines. Whereas, prewar production in the Philippines was greater than 1,100,000 tons, nearly 1,000,000 tons of which were available for export (mostly to the United States), production now is so low that no sugar is available for export. In fact current production is insufficient to meet requirements of the Philippines.

Partial offsets to reduced production in Europe and Asia have been the increases made during the war in sugar produced in Cuba and South America, especially in Cuba. In recent years South American production has been from 200,000 to 400,000 tons above the prewar normal of 2,418,000 tons but much of this increase has been offset by increased consumption brought about by increased purchasing power available to South American consumers. In Cuba, however, 1946 production was 4,476,000 tons as compared with 3,168,000 tons in the prewar period. The current estimate for the 1947 Cuban crop is 5,500,000 tons, almost a 75-percent increase over prewar average production.

Production in the United States mainland and offshore areas³ increased in the early years of the war but dropped below the prewar average production of slightly under 4,000,000 tons as the war progressed. The sharpest reduction occurred in the domestic beet areas, the production of sugar from the 1943 domestic beet crop being only about two-thirds the prewar average of 1½ million tons. Principal among the reasons for this decrease were labor and fertilizer shortages and attractive prices for competitive crops for which increases in production also were sought during the war, especially those competitive crops which require less labor than sugar beets. Successive increases in beet-sugar production have occurred each year since 1944. Greater availability of labor and fertilizer and higher support prices to growers in 1946 were important factors involved in restoring domestic beet-sugar production to prewar levels. Barring unforeseen developments production in 1947 is expected to exceed that normal for the years just prior to the war.

Sugar produced from continental cane was maintained during the war at approximately the 1935-39 level. On the other hand marked

³ Offshore areas include Hawaii, Puerto Rico and the Virgin Islands.

decreases occurred in Hawaiian and Puerto Rican production. Production in Puerto Rico now has been restored to prewar levels but in Hawaii production is still about 100,000 tons below prewar averages. (Normal prewar production in each instance was almost 1,000,000 tons.) A major reason why Hawaiian production is still considerably below prewar levels is the prolonged strike which occurred there last fall and which retarded restored production.

Table 1 shows sugar production in specified countries.

Table 2 sets forth estimated sugar production in Europe—current years compared with 1935–39 average.

Table 3 gives sugar production in United States domestic, continental and off-shore areas as compared with total world production in recent years.

WORLD SUGAR STOCKS

Stocks on January 1, 1947, in all the major sugar exporting and importing areas were at very low levels as compared with prewar, and in many of the exporting areas, they were below the wartime levels.

The cane-producing areas, which depend on ocean transport to export their sugar to the world market, accumulated stocks during the early years of the war as the shortage of ships and the submarine menace prevented the movement of their entire production into consumption channels. During the latter part of 1944 and the early months of 1945, however, ocean transportation eased considerably, with the result that sugar stocks in exporting areas were virtually depleted by the beginning of 1946. In Cuba, for example, stocks on January 1 were 518,000 short tons in 1938; 826,000 tons in 1939; 611,000 tons in 1944; and 800,000 tons in 1945; but there were only 285,000 tons in 1946 and 270,000 tons in 1947. The low level of Cuban stocks on January 1 in 1946 and 1947 has been inadequate to keep shipments to consuming areas moving at desirable rates until the new crop was ready for export.

Stocks on January 1 in the countries largely dependent upon their own beet-sugar production have been particularly low during the war years and in 1946 and 1947 because of relatively small beet-sugar crops. In North America and in Europe beet sugar is produced in the fall months and only a small fraction of it can be moved into consumption before January 1.

In recommending allocations for 1947, the International Emergency Food Council considered stocks held on January 1 in importing countries as part of the allocable supply of those countries. It also counted as allocable the maximum portion of this fall's (1947) production which it is expected can be moved into consumption before January 1, 1948.⁴

The low levels of the past few years have applied not only to visible stocks (stocks in producing areas and in the hands of primary distributors) but also to invisible stocks (stocks held by wholesalers, retailers, and consumers). In order to maximize sugar available for consumption rationing regulations in the United States and Europe have limited the quantities of sugar which may be kept on hand to amounts smaller than would normally be held.

⁴ The International Emergency Food Council has no mandatory powers. Through the Council the requirements of member nations are analyzed and recommendations are made to the respective governments. The United States has accepted the recommended allocations as publicly announced on February 21, 1947.

UNITED STATES STOCKS

United States stocks on January 1, 1947, were originally forecast at 1,660,000 tons. However, because of the loss of approximately 200,000 tons from Hawaii, as a result of a prolonged strike in the latter part of 1946, and because of a smaller United States beet crop than had been anticipated, stocks on January 1 totaled only 1,442,000 tons. About two-thirds of this was beet sugar. Stocks in the United States on January 1, 1948, are currently being estimated at 1,900,000 tons. However, since 200,000 tons of the 6,800,000 allocated to the United States for distribution in 1947 is to be derived from undesignated sources, it might be necessary to move a part of the western beet-sugar supplies into the East in order to maintain the higher ration levels which have been announced. Most of the increase from 1,442,000 tons at the beginning of 1947 to the 1,900,000 tons at the beginning of 1948 will result automatically from the beet sugar which is expected to be produced during October to December of this year. Since it is physically possible to market within those 3 months only a relatively small portion of the sugar produced in those months, the bulk of it will show up in increased stocks on January 1.

1947 SUPPLIES

As indicated above, total world production for the 1946-47 season is expected to show an increase of about 14 percent compared with last year. Supplies considered available for 1947 allocation (about half the world total) are expected to increase at about the same rate. There are, however, two main elements of uncertainty in the outlook for allocable supplies:

(1) Production in areas now within the purview of the International Emergency Food Council allocations may not reach the levels anticipated. This is particularly true in the case of Cuba and the other Caribbean producing areas, where harvesting is not sufficiently advanced to forecast the production of sugar with a high degree of certainty.

(2) Allocations recommended now include 736,000 tons of sugar (about 5 percent of the total) from undesignated sources, which may prove impossible to implement. It is hoped that against these allocations may be placed sugar from the Netherlands East Indies, certain South American countries, and supplies of sugar at present not under contract in Cuba and the Dominican Republic. Sugar is known to exist in relatively large quantities in these areas, but the extent to which it can be drawn into the sugar pool is still doubtful, particularly during 1947.

In addition to these major factors of uncertainty, the possibility that either production or distribution may be curtailed by strikes, shipping difficulties, and so forth, must not be overlooked.

The allocation of 6,800,000 tons for the United States in 1947 represents an increase of 21 percent over 1946, or considerably more than the increase expected in world supplies. Of this total, however, 4,040,000 tons is recommended from the Caribbean producing areas, whose crops are still not finally determined. Another 200,000 tons is from undesignated sources. If this sugar does not materialize from a larger Cuban crop than the 5,500,000 now anticipated, or from some

other source, it may be possible to distribute some part of this out of our year-end stocks of 1,900,000. However, as indicated above, there is a physical limitation on the quantity of beet sugar which can be distributed during the last 3 months of the year.

Despite some elements of uncertainty in the total supply for 1947, ration rates already announced for United States civilians in the April to June quarter show considerable increases over rates for January to March and those prevailing during 1946. Nonprovisional industrial users' allotments were raised from 60 to 75 percent of base use. The ration for household use (including home canning) was 10 pounds for April to June. Barring unpredictable disasters, it is hoped that the rate of 10 pounds per quarter will be continued for the remainder of the year, which would bring total household sugar to 35 pounds per person in 1947, an increase per annum of 10 pounds per person (including home canning), or 40 percent more per person than in 1946. Similar liberality in the April to June allotments is reflected in the allowances for restaurants and other institutional users.

The 6,800,000 tons of sugar allocated to the United States for 1947 use is 100,000 tons greater than the average annual consumption in the prewar years 1935-39. However, the increase in population since the earlier date has been so great that the larger supply in 1947 will allow for a per capita consumption of only 90 percent as much as prevailed during the years immediately preceding the war. Our population in the 1935-39 period was 129,000,000 while the United States civilian population now is 141,300,000 and our military population is 1,700,000. Since the rate of consumption for sugar and sugar-containing products for military personnel is about double the civilian rate the effective sugar-consuming population today is 144,700,000 or more than 12 percent higher than in 1935-39. Therefore, our 1947 allocation will allow a per capita consumption of only 93.3 pounds (raw basis) while a prewar supply of 6,700,000 permitted an average per capita consumption of 103.2 pounds (raw basis). And while 103 pounds of sugar per person fulfilled effective consumer demands in the prewar period of plentiful supplies, it is highly improbable that this amount would be sufficient to meet consumer needs with the increased purchasing power now available to them.

Table 4 gives the International Emergency Food Council recommended sugar allocation for 1947, by source of supply.

1948 SUPPLIES

World supplies available for consumption in 1948 should be somewhat above those available for 1947. Stocks of beet sugar on hand January 1, 1948, are expected to be higher than at the beginning of 1947 because next fall's crops are expected to be larger both in the United States and Europe. Similarly, beet-sugar production in the 1948-49 season may be expected to show further progress toward prewar levels. In the United States both beet and cane production in 1948 are expected to equal if not surpass prewar volume.

Stocks of cane sugar on January 1, 1948, will probably not exceed those at the beginning of 1947, but total cane-sugar production during 1948 may well be larger, and exportable supplies may increase in the latter part of the year if recovery occurs in the Philippines and Java.

PRESENT SITUATION COMPARES WITH 1920 UNDER DECONTROL CONDITIONS

The sugar outlook at the time of decontrol in December 1919 was much more favorable than the present supply situation. In no year during World War I was world production much more than 1,000,000 tons below prewar levels, and this loss was confined to Europe, principally Germany, Austria, and USSR. In fact, supplies were sufficient to provide a per capita consumption in 1920 of 93 pounds, raw value, which was as high as that of any previous year. The abrupt fluctuations which occurred after World War I were due principally to the fear that the Cuban sugar crop would not be as large as expected. The skyrocketing of prices which occurred under these circumstances is illustrative of the sensitiveness to even small shortages in supply.

The disruption to production in World War II was more severe and far more widespread than during World War I, and the damage to sugar facilities and to the fields was such that a much longer period of rehabilitation is required. Currently, we are approximately 4,000,000 tons below prewar levels. Even though production be restored to prewar levels, this amount of sugar will not allow prewar per capita rates of consumption to be resumed because of the net increase in world population which has taken place since 1939. Also-increased consumption in producing countries as a result of higher consumer purchasing power has resulted in a very material increase in their local requirements, and makes less sugar available to the world market. The Cuban crop has already been allocated along principles agreed upon by the representative governments. An increase in price could only result in more sugar to the United States by reason of other countries failing to take their allocations. There is no doubt that at some price European countries could not take a full allocation and the remainder would be available to the United States. But it should be noted that European requirements are at a level of about 75 percent of their normal demands. Many European countries are accustomed to paying relatively high prices and in order to discourage their purchase of sugar, the Cuban price would, therefore, have to be quite excessive.

Table 5 sets forth estimated sugar distribution by types of users.

Table 6 gives the estimated distribution among industrial users.

Both tables 5 and 6 are by quarters—1945, 1946, and the first two quarters of 1947.

EXPLANATION OF SENATE JOINT RESOLUTION 58, AS AMENDED

Senate Joint Resolution 58 as amended, would continue wartime controls of sugar by the extension through March 31, 1948, of certain statutory powers and authorities with respect to sugar, and transfer complete administration of such controls to the Secretary of Agriculture. Section 1 extends price control under the Price Control Act and the Stabilization Act of 1942, export control under the so-called Export Control Act, and allocation and rationing under title III of the Second War Powers Act, beyond their present termination dates of June 30, 1947, for price and export controls, and March 31, 1947, for allocation and rationing. Title XIV of the Second War Powers Act, relating to the utilization of certain vital war information, is extended until March 31, 1948. Section 1 of the bill also

authorizes the allocation of sugar without regard to the provisions of title II of the War Mobilization and Reconversion Act of 1944. In substance this permits the Secretary of Agriculture discretion in the allocation of available sugar supplies. The Secretary has assured the committee that sugar will be made available to prevent the wastage of milk.

Section 1 has been amended by the committee to provide that the authority contained therein shall not be deemed to permit the Secretary to exercise price, allocation, or rationing control over any product which was not controlled on February 18, 1947, except that allocation control over products imported or brought into the continental United States could be exercised even though not controlled on that date.

Section 2 of Senate Joint Resolution 58, as amended, relates to decontrol of sugar and provides that the Secretary of Agriculture shall remove such controls when he determines that the supplies of sugar are sufficient to warrant such action. This decontrol provision supercedes the present decontrol provisions of the Price Control Act, including those relating to action by the Price Decontrol Board.

Section 3 vests in the Secretary of Agriculture sole responsibility for the administration of sugar controls carried out pursuant to the statutes extended by section 1. Section 3 also continues in full force and effect all orders, directives, rules, and regulations relating to the functions so transferred, until modified or revoked by the Secretary of Agriculture. Unexpended balances of appropriations and property available to the respective agencies in the exercise of the functions transferred are transferred to the Secretary of Agriculture. This last provision, has been enlarged by the committee to include an amount to liquidate obligations against such appropriations incurred prior to transfer, and to authorize the transfer, on a temporary basis, of such personnel as may be needed in the exercise of the functions transferred. It makes clear that no employee so transferred would have any retention rights in the Department of Agriculture when the functions transferred have terminated. Section 3 also continues all provisions of existing orders, directives, rules, and regulations pertaining to sugar for the purpose of sustaining any proper suit, action, or other proceeding with respect to violations, liabilities incurred, or appeals taken thereunder.

Section 4 provides that the provisions of the joint resolution shall become effective immediately upon its enactment.

Under the provisions of Senate Joint Resolution 58, as amended, the Secretary of Agriculture is given discretionary power to terminate price control and rationing of sugar at any time prior to March 31, 1948, if conditions warrant such termination. The committee is confident that Secretary Anderson will use this discretionary authority if it is possible to do so, and at the earliest possible date.

TABLE 1.—*Sugar (raw value): Production in specified countries—average, 1935-39; annual, 1944-47*

[1,000 short tons]

Country	Average, 1935-39	1944-45	1945-46	1946-47 ¹
North America, Central America, and West Indies (cane):				
Canada (beet).....	76	88	85	90
United States (beet).....	1,520	1,056	1,278	1,541
United States.....	474	437	475	461
Hawaii.....	986	821	700	800
Puerto Rico.....	974	964	910	1,000
Virgin Islands.....	6	4	6	6
Cuba.....	3,168	3,923	4,476	(5,500)
Dominican Republic.....	491	407	506	540
Other countries.....	1,050	1,036	1,170	1,219
Total.....	8,745	8,736	9,606	11,157
South America (cane), total.....	2,418	2,635	2,658	2,815
Europe (chiefly beet), total.....	10,366	6,854	5,494	7,377
Africa (cane), total.....	1,291	1,261	1,142	1,255
Asia (cane):				
Java.....	1,447	125	22	55
Philippine Islands.....	1,127	(75)	115	200
Other countries.....	8,230	7,611	6,870	6,745
Total.....	10,804	7,811	7,007	7,000
Oceania (cane), total.....	1,036	813	778	757
Total cane sugar.....	22,655	20,060	19,779	21,328
Total beet sugar.....	12,005	8,050	6,906	9,033
Total cane and beet sugar.....	34,660	28,110	26,685	30,361
Percent.....	100		77	88
Decrease from prewar average (1935-39).....		-6,550	-7,975	-4,299

¹ Preliminary.

Source: Foreign Crops and Markets, Dec. 16, 1946, except that United States beet and cane figures are from BAE, Crop Reporting Board, Final Summary, Dec. 17, 1946; for Cuba (1946-47), the estimate of 5 million tons carried by Foreign Crops and Markets has been raised to 5.5 million tons on the basis of recent favorable forecasts by various trade sources.

TABLE 2.—*Estimated sugar production in Europe 1935-39 average, 1945-46, and 1946-47*

[1,000 short tons, raw value]

	1935-39 average production	1945-46 estimated production	1946-47 estimated production
Countries exporting in 1947:			
Denmark.....	257	211	220
Czechoslovakia.....	721	493	672
Subtotal.....	978	704	892
Countries receiving import allocations in 1947:			
Those receiving some imports from Cuba:			
United Kingdom.....	527	630	641
France.....	1,053	508	735
Finland.....	13	6	6
Greece.....	0	0	0
Netherlands.....	255	66	231
Norway.....	0	0	0
Switzerland.....	12	31	27
Subtotal.....	1,860	1,241	1,640
Those receiving imports from sources excluding Cuba:			
Austria.....	196	20	50
Belgium.....	259	154	220
Hungary.....	139	8	65
Sweden.....	340	325	315
Eire.....	89	116	93
Yugoslavia.....	95	38	75
Albania.....	0	0	0
Subtotal.....	1,118	661	818

TABLE 2.—*Estimated sugar production in Europe 1935-39 average, 1945-46, and 1946-47—Continued*

[1,000 short tons, raw value]

	1935-39 average production	1945-46 estimated production	1946-47 estimated production
Other countries:			
Italy.....	416	21	293
Germany.....	2,122	850	1,200
Spain.....	209	150	240
Bulgaria.....	24	21	32
Rumania.....	129	28	35
Poland.....	548	208	367
USSR.....	2,887	1,500	1,750
Turkey.....	75	110	110
Subtotal.....	6,410	2,888	4,027
Grand total.....	10,366	5,494	7,377

Source: Foreign Crops and Markets, Dec. 16, 1946.

TABLE 3.—*Sugar production: United States areas and total world, prewar average and annual to 1946-47*

[In thousand short tons, raw value]

	Average, 1935-39	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47 ¹
United States areas:								
Domestic beet.....	1,520	1,897	1,588	1,726	998	1,056	1,278	1,541
Continental caue.....	474	332	419	460	498	437	475	461
Hawaii.....	986	947	870	886	875	821	700	800
Puerto Rico.....	974	932	1,148	1,039	723	964	910	1,000
Virgin Islands.....	6	8	1	4	3	4	6	6
Subtotal.....	3,960	4,116	4,026	4,115	3,097	3,282	3,369	3,808
Total world (including United States).....	34,660	35,828	31,988	30,344	30,781	28,110	26,685	30,361

¹ Preliminary.

Source: Average 1935-39 and annual 1943-46 from Foreign Crop and Markets, Dec. 16, 1946 (adjusted for later crop information). Annual 1940-42 from The World Sugar Situation, August 1946.

TABLE 4.—*International Emergency Food Council recommended sugar allocation for 1947 by source of supply*

[In thousand short tons, raw value]

Claimant	Total recommended allocation	Source			
		Domestic supplies	Imports excluding Cuba	Imports from Cuba	Undesignated ¹
United States.....	6,800	1,760	1,694	3,146	200
United Kingdom and Canada.....	3,084	729	1,166	989	200
Austria.....	46	31	15	0	0
Belgium.....	247	240	7	0	0
France.....	894	752	38	74	30
French North Africa.....	347	30	100	174	43
French colonies.....	59	0	0	25	34
Finland.....	91	10	20	55	6
Greece.....	70	-0	14	51	5
Hungary.....	69	51	18	0	0
Netherlands.....	283	230	0	20	33
Norway.....	89	0	39	44	6

¹ Represents additional sugar which may become available from sources already designated (such as domestic production in excess of estimates) or sugar imports from sources not now contributing to the sugar pool which may later become available.

TABLE 4.—*International Emergency Food Council recommended sugar allocation for 1947 by source of supply—Continued*

[In thousand short tons, raw value]

Claimant	Total recommended allocation	Source			
		Domestic supplies	Imports excluding Cuba	Imports from Cuba	Undesignated ¹
Sweden.....	330	320	10	0	0
Switzerland.....	148	27	43	68	10
Eire.....	94	55	0	0	39
Yugoslavia.....	72	19	47	0	6
Philippines.....	127	97	0	30	0
Korea.....	40	0	0	20	20
Japan.....	50	10	0	20	20
India.....	1,260	1,140	0	36	84
Albania.....	4	0	4	0	0
Italy.....	357	357	0	0	0
Germany.....	425	425	0	0	0
Total.....	14,986	6,283	3,215	4,752	736

TABLE 5.—*Estimated sugar distribution by types of use by quarters, 1945, 1946, and first 2 quarters 1947*

[In short tons]

	1945				Total
	First quarter	Second quarter	Third quarter	Fourth quarter	
Home use.....	318,389	292,833	253,221	360,884	1,225,327
Home canning.....	328	183,068	186,747	111,266	481,409
Institutional use.....	148,058	89,074	165,022	72,765	474,919
Wholesalers, retailers inventory adjustment ¹	50,000	10,000	-----	-----	60,000
Industrial use ²	668,547	728,223	648,197	537,925	2,582,892
Industrial inventory release.....	15,000	15,000	15,000	15,000	60,000
Miscellaneous ³	45,252	56,368	42,822	56,919	201,361
Total.....	1,245,574	1,374,566	1,311,009	1,154,759	5,085,908
Noncivilian provisional ⁴	-4,851	-6,189	-57,200	-6,916	-75,156
Net civilian distribution.....	1,240,723	1,368,377	1,253,809	1,147,843	5,010,752
	1946				Total
	First quarter	Second quarter	Third quarter	Fourth quarter	
Home use.....	337,000	245,227	265,226	302,797	1,150,250
Home canning.....	58,400	236,946	400,369	69,763	765,478
Institutional use.....	101,245	70,776	123,414	70,198	365,633
Wholesalers', retailers' inventory adjustment ¹	25,000	25,000	-----	-----	50,000
Industrial use ²	533,978	751,877	710,410	576,734	2,572,999
Industrial margin ⁵	15,000	15,000	15,000	15,000	60,000
Advance industrial purchases ⁶	-----	-----	-----	75,000	75,000
Miscellaneous ³	113,066	106,424	108,974	111,705	440,169
Total.....	1,183,689	1,451,250	1,623,393	1,221,197	5,479,529

See footnotes at end of table, p. 11.

TABLE 5.—*Estimated sugar distribution by types of use by quarters, 1945, 1946, and first 2 quarters of 1947—Continued*

[In short tons]

	1947				Total
	First quarter	Second quarter	Third quarter	Fourth quarter	
Consumer use ¹	390,550	699,773	-----	-----	-----
Institutional use.....	111,375	83,118	-----	-----	-----
Wholesalers', retailers' inventory adjustment ¹	50,000	30,000	-----	-----	-----
Industrial use ²	591,597	780,596	-----	-----	-----
Industrial margin ³	15,000	15,000	-----	-----	-----
Allotments to war producers ⁴	-----	50,000	-----	-----	-----
Miscellaneous ⁵	101,478	81,513	-----	-----	-----
Total.....	1,260,000	1,740,000	-----	-----	-----

¹ In 1945 and 1946 adjustments were provided to restore inventory to or near original inventory. 1947 adjustment is intended as a flat percentage adjustment of original inventory.

² The totals listed for industrial use represent estimated cashing of ration currency whereas on the separate industrial table, the amounts show estimated use of industrial sugar.

³ Miscellaneous: Included in this category are rations for bee feeders; illness and furlough rations; special incentive allotments to beet- and cane-sugar growers; allowances made for temporary farm labor; special allowances for church suppers, etc. It also covers deliveries of sugar to consumers without collection of ration evidence; overissuance of sugar to provisional users; overdrafts and counterfeit stamps.

⁴ Noncivilian provisional use: While all sugar for provisional industrial use was issued through the usual channels, the amount represented by purchases made by exempt agencies was deducted to arrive at more accurate civilian distribution. The amount in 1946 was small and included in the civilian allocation.

⁵ Industrial margin: This amount provides for new bases given to veterans and for adjustments on established bases.

⁶ Advance industrial purchases: As allotments for first quarter 1947 industrial use were issued from December 10, 1946 on, industrial users immediately placed their orders with primary distributors. Supplies were available and far heavier than normal deliveries against these orders were made late in December 1946. The lower than usual deliveries in January 1947 substantiated this assumption.

⁷ Consumer use: This combines home use and home canning sugar.

⁸ Allotments for war producers: New industrial-use bases or increased bases to be given to those industrial users who increased their production capacities as a result of exempt agency orders during the war years.

Source: OPA Sugar Department.

S. J. RES. 58

[Report No. 50]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 5, 1947

Mr. ROBERTSON of Wyoming introduced the following joint resolution; which was read twice and referred to the Committee on Banking and Currency

MARCH 12 (legislative day, FEBRUARY 19), 1947

Reported by Mr. FLANDERS, with amendments

[Omit the part struck through and insert the part printed in italic]

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Whereas the war has resulted in an acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national defense and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation, and speculation in sugar and waste or spoilage of perishable agricultural commodities and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*

1 That, notwithstanding any other provisions of law, (1) the
2 Emergency Price Control Act of 1942 (56 Stat. 23) ; the
3 Stabilization Act of 1942 (56 Stat. 765) ; title III and title
4 XIV of the Second War Powers Act, 1942 (56 Stat. 177) ;
5 and the Act of July 2, 1940 (54 Stat. 714) , all as amended
6 and extended, shall continue in effect with respect to sugar
7 to and including March 31, 1948; (2) sugar may be allo-
8 cated without regard to the provisions of title II of the War
9 Mobilization and Reconversion Act of 1944 (58 Stat. 787) ;
10 and (3) the term "sugar", as used in this Act, means any
11 grade or type of saccharine product derived from sugarcane,
12 sugar beets, or corn, including liquid sugar, sirups, molasses,
13 or mixtures thereof, and sugar-containing products, which
14 contain sucrose, dextrose, or levulose: *Provided, that the*
15 *authority contained herein shall not be deemed to permit the*
16 *allocation or rationing of, or price control over, any product*
17 *unless a regulation with respect to such product was outstand-*
18 *ing or in effect on February 18, 1947, other than the alloca-*
19 *tion of such products imported or brought into the continental*
20 *United States.*

21 SEC. 2. The Secretary of Agriculture is hereby au-
22 thorized and directed to remove any or all controls with
23 respect to any other product over which control is au-
24 thorized by this Act prior to its expiration when in his

1 judgment the supplies of sugar are sufficient to warrant such
2 action.

3 *SEC. 2. Prior to the expiration of this Act, the Secretary*
4 *of Agriculture is hereby authorized and directed to remove any*
5 *or all controls with respect to any product over which control*
6 *is authorized by this Act when he determines that the supplies*
7 *of sugar are sufficient to warrant such action.*

8 SEC. 3. (a) The powers, functions, and duties of (1)
9 the President under title III of the Second War Powers
10 Act, 1942, (2) the President or any executive department
11 under the Act of July 2, 1940, and (3) the Price Adminis-
12 trator under the Emergency Price Control Act of 1942 and
13 the Stabilization Act of 1942, all as amended and extended,
14 shall, insofar as they relate to sugar, be vested in and exe-
15 cuted by the Secretary of Agriculture upon the enactment
16 of this Act.

17 (b) All orders, directives, rules, and regulations re-
18 lating to any function transferred by this section or issued
19 in connection therewith by any agency heretofore perform-
20 ing such function, which are in effect on the date of enact-
21 ment of this Act, shall continue in full force and effect
22 unless and until modified or revoked by the Secretary of
23 Agriculture or at his direction or under his authorization.

24 (c) So much of the unexpended balances, appropria-

1 tions, or other funds available for the use of any agency in
2 the exercise of the functions transferred by this Act as the
3 Director of the Bureau of the Budget shall determine shall
4 be transferred for use in connection with the exercise of
5 such functions.

6 (c) So much of the unexpended balances of appropria-
7 tions, allocations, or other funds and the property available
8 for the use of any agency in the exercise of any function
9 transferred by this Act or for the use of the Secretary of
10 Agriculture in the exercise of any function so transferred
11 as the Director of the Bureau of the Budget shall determine,
12 shall be transferred for use in connection with the exercise
13 of such functions. In determining the amount to be trans-
14 ferred, the Director of the Bureau of the Budget may include
15 an amount to provide for the liquidation of obligations in-
16 curred, against such balances of appropriations, allocations,
17 or other funds prior to the transfer. Such personnel as
18 required may also be transferred temporarily to the Depart-
19 ment of Agriculture pending termination of the functions
20 authorized hereunder. Any personnel so transferred shall
21 not, by virtue of their temporary employment in the Depart-
22 ment of Agriculture, acquire or be entitled to any right to
23 employment in such Department in connection with the exer-
24 cise of any function other than a function transferred under
25 this Act. There are authorized to be appropriated to the

1 *Secretary of Agriculture such sums as may be necessary to*
2 *carry out the provisions of this Act.*

3 (d) With respect to violations, liabilities incurred, or
4 appeals taken thereunder, all provisions of orders, directives,
5 rules, and regulations, pertaining to sugar heretofore ~~used~~
6 *issued* under the ~~Act~~ *Acts* referred to in section 1 hereof,
7 shall be deemed to remain in full force and effect for the
8 purpose of sustaining any proper suit, action, or other
9 proceeding with respect to any such violations, liabilities, or
10 appeals.

11 SEC. 4. The provisions of this Act shall become effective
12 immediately upon enactment.

80TH CONGRESS
1ST SESSION

S. J. RES. 58

[Report No. 50]

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

By Mr. ROBERTSON of Wyoming

FEBRUARY 5, 1947

Read twice and referred to the Committee on
Banking and Currency

MARCH 12 (legislative day, FEBRUARY 19), 1947

Reported with amendments

CONFIDENTIAL - SECURITY INFORMATION

HEARINGS BEFORE THE SUBCOMMITTEE ON CONSERVATION OF SUGAR
NATURAL GAS AND FUEL OIL, MARCH 12, 1947

All witnesses agreed that the continuation of price and rationing control until March 31, 1947, was desirable in view of the present tight sugar situation. The discussion centered mainly around the question of the time to be selected for decontrol (October 1947--March 31, 1948), the administrative responsibilities for decontrol, and some of the administrative aspects of the control program between March 31, 1947, and the date on which decontrol is finally achieved. In general, the witnesses, upon being questioned by the Committee members after their testimony, agreed that H. J. Res. 146 was sufficiently flexible to meet the needs of the situation.

James Varnor, James Varnor Company, Detroit, Michigan; representing the American Bottlers of Carbonated Beverages. This witness stressed the opinion that control legislation for both rationing and prices should be continued until supplies are satisfactory. He described the bottling industry as having a very large total sales volume composed for the most part of small bottlers widely scattered over the United States. These bottlers depend on local suppliers and would probably get less than their fair share of sugar if rationing were discontinued at this time. This is especially true in the case of new plants started by veterans. Removal of price ceilings at this time would result in higher sugar prices until supplies became normal. An increase in sugar prices would work severe hardship on soft drink manufacturers because their product is low priced and, besides, the package cannot be changed because of the investment in bottles and the difficulties in obtaining new bottles.

Mr. Varnor opposed any provision for new users who have no past-period history on the ground that they threaten the continued existence of many smaller plants and that the provision of sugar for new users would result in smaller allocations for old users. He also expressed the belief that provision for new users would encourage the establishment of new manufacturers of flavoring syrups which would compete with the small bottlers who now make their own syrups. He suggested that a new user might purchase an already established business, instead of building a new plant.

Congressman Smith did not agree that new users should be kept out as such a policy would be alien to free competition.

Clarence J. Boyer, representing Farmers and Manufacturers Best Sugar Association. This witness recommended the removal of controls by October 1947 on the ground that the statistical sugar year commences in October and that production for the calendar year 1947 in the areas normally supplying the U. S. will amount to 9,500,000 tons compared with unrestricted demand of 8,000,000 tons. In reply to questioning, however, he agreed that it might be desirable to continue controls to March 31, 1948, if the Secretary of Agriculture presented positive evidence of such a need by October 15, 1947. Thus, the position of this witness differed from that expressed in H. J. Res. 146, section 2, chiefly with regard to the limits of discretion to be exercised by the Secretary of Agriculture.

Mr. Davis supported the transfer of policy and planning matters from the Department of Agriculture and also the transfer of some of personnel. He expressed the opinion that personnel to be transferred should be confined to the technical and administrative staff and should not include policy makers, sources of policy, etc. Questions of policy and personnel should be handled by the Secretary of Agriculture, simplified, and handled centrally through.

Robert Shields, representing the Sugar Growers Association. In reply to questioning, Mr. Shields stated that he was in favor of H. R. 100, Section 2, as written.

H. E. Wherry, representing the American Sugar Planters Association. This witness testified that he favored continued controls until sugar supplies are adequate.

James Fallon, representing Association of Cane and Christmas Manufacturers. This witness recommended extension of controls until March 31, 1948, unless very favorable conditions justify removal before that time. He stated that inventory controls without price and rationing controls would be ineffective. He also expressed the opinion that penalty provisions under the Second War Power Act should be continued.

G. E. England, representing National Association of Retail Ice Cream Manufacturers. This witness urged "the continuation of rationing and price controls on sugar until such time as the economic conditions no longer warrant the necessity of such controls."

The Committee expressed general interest in the backgrounds of the witnesses, particularly in their previous government experience and requested that such material on each be submitted for the record. The Committee also requested statistics on subsidy payments for the record, particularly in the case of beets and the beet crop.

James H. Marshall
Director, Sugar Branch, PMA

Mr. Shields represented the American Sugar Beet Industry Policy Committee composed of all sugar beet grower associations and all beet sugar processors in the U. S.

*In cooperation with the Legislative Reports and Service Section.

being proposed for the purpose of better and more effective control of the
industry of the United States and the promotion of the interests of the
people of the United States. It is the policy of the Government to
encourage the development of the industry and to protect the
interests of the people. The Government is committed to the
policy of encouraging the development of the industry and to
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OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section

(For administrative information only)

HEARINGS BEFORE HOUSE BANKING AND CURRENCY COMMITTEE ON RATIONING OF SUGAR
RATIONING AND PRICE CONTROLS, MARCH 13, 1947 (H. J. Res. 145)

Congressman Crawford was opposed to March 31, 1948, as the date for ending controls. He thought that controls should be ended on September 30, 1947, and that mandatory language to that effect should be included in the joint resolution. It was his opinion that beet-sugar plantings would be increased if this were done. Mr. Crawford pointed out that April through September was the peak consumption period and October through March was the peak production period. He stated that, if sugar were decontrolled on September 30, it would tend to hold down sugar prices and stockpiling since the heavy consumption period would be six months in the future. If decontrol occurred at the end of March, he said U. S. production would be completed and Cuba would be able to set the price. Mr. Crawford did not believe that refiners or processors would withhold sugar from the market until after September 30 since the sugar business is highly competitive and most companies are not financially able to carry the sugar for any long period of time and do not have enough warehouses to do so. He also favored mandatory language in the proposed legislation, to grant sugar to new users.

Mr. Walter S. Mack, Jr., President of Pepsi Cola Co., favored decontrol on March 31, 1947. He stated that we should decontrol while supplies were in abundance. He submitted statistics to the Committee which indicated that the United States would have 7,300,000 tons of sugar for distribution during 1947. It was his contention that we do not have a real rationing program since sugar-containing products are not under price ceilings. He stated that, of the 93 pounds of sugar which each person is supposed to receive, only 35 pounds will have a price ceiling. The balance, he said, will not be divided equitably but on the basis of purchasing power and, in his opinion, the 58 pounds of sugar-containing products will cost the purchaser 25 cents a pound.

It was his opinion that sugar would go to 12½ cents a pound if it were decontrolled on March 31. However, he thought that as a protective measure the Secretary should be given authority to control prices of sugar for one year. He said that he had been offered 100,000 tons of Peruvian sugar for 1947 delivery at 1 cent above our ceiling price.

He favored authorizing the Secretary to institute an inventory control of not over a 30-day supply of sugar for all users and distributors. One member of the Committee pointed out that the government witnesses had testified that such controls would not be effective. Mr. Mack referred to testimony before the Senate Committee to the effect that the Government might recommend such controls after March 31, 1948, and expressed his feeling that if it would be possible in 1948 it should be at this time. He made the statement that 80 percent of all sugar used by industry was consumed by a relatively small number of companies. By reason of their size they would submit reliable reports since they could not afford to risk government prosecution.

Mr. Cook recommended that in any event the present Bill should be amended to provide for hardship cases, new users, and users without a reasonable base-period history. He pointed out that his bottlers had started in business in 1939 and were at a low rate of production in the base year 1941, whereas the Coca-Cola company had their base year in 1941.

Mr. Robert McKever, Attorney for Joyce Seven Up Co., also favored immediate decontrol of sugar. It was his opinion that, with our present supply of sugar and the additional available sweeteners, such as corn syrup and new type industrial syrups, there would be a sufficient quantity to meet the demand. Industrial demand would decrease if the price were too high and would tend to lower the prices. Mr. McKever stated that his large industrial users are advocating continuing controls since they cannot pay as high a price for sugar as the housewife.

The Committee Chairman announced that public hearings were finished and that any rebuttal statements must be in the hands of the Committee by 5:00 p.m. Friday, March 14.

J. H. Marshall
Director, Sugar Branch, FIA

*In cooperation with the Legislative Reports and Service Section.

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

Legislative Reports and Service Section
(For Department staff only)

Issued March 18, 1947
For actions of March 17, 1947
80th-1st, No. 50

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HIGHLIGHTS: House committee reported measure to continue sugar controls until Oct. 31, 1947, and transfer them to this Department. House passed bill to maintain domestic rubber-producing industry. Rep. Price criticized elimination of price control. House committee reported bill to authorize RFC to purchase surplus property for resale to small business and Rules Committee cleared bill. Rep. Poage introduced rural-telephone bill. Sens. Saltonstall and Lodge introduced wool price-support bill. Rep. Bryson spoke favoring school-lunch program.

HOUSE

1. RUBBER. Passed as reported H. J. Res. 118, to provide for maintenance of an adequate domestic rubber-producing industry (pp. 2218-30).
2. RECLAMATION. The Public Lands Committee reported with amendment H. R. 1556, to provide basic authority for certain functions of the Bureau of Reclamation (H. Rept. 159)(p. 2237).
3. SUGAR CONTROLS. The Banking and Currency Committee reported with amendment H. J. Res. 146, to extend the powers and authority under certain statutes with respect to distribution and pricing of sugar (H. Rept. 150)(p. 2236). Rep. Huber, Ohio, stated that the measure, as reported, provides for ending controls on Oct. 31, 1947, and criticized this provision (p. 2212).
4. PRICE CONTROL. Rep. Price, Ill., criticized elimination of price controls (pp. 2233-4).
5. WILDLIFE CONSERVATION. The Rules Committee reported without amendment H. Res. 21, to continue the special committee on wildlife conservation (H. Rept. 151) (p. 2209).
6. RFC. The Banking and Currency Committee reported without amendment H. R. 2535, to amend the RFC Act (H. Rept. 149)(p. 2236). The Rules Committee reported a resolution to provide for consideration of the bill (p. 2209). It is expected that the bill will be debated today. The bill authorizes RFC to purchase surplus property for resale to small business, with priority immediately after Government agencies and veterans.

7. RECORDS DISPOSITION. Discussed and passed over H. R. 1350, which amends the National Archives Act so as to permit heads of departments and agencies to specify restrictions on the use or examination of records being, or which have been, transferred from them to the Archivist (p. 2214).
8. ST. LAWRENCE WATERWAY. Rep. Kilburn, N. Y., spoke in favor of H. R. 13, to provide for completion of this waterway (p. 2210).
9. CONGRESSIONAL DIGEST. The Chairman of the Joint Committee on Printing announced the first issue of the "Daily Digest." He said, "It will come to you every day that Congress is in session, bound in as the last section of the Record. The Digest will give you a daily resume of all legislative activity transacted by Congress. Since there has been a delay in getting the Digest started, this first issue contains a brief resume of this session to date as well as the Daily Digest of today's legislative proceedings." This Digest also contains a list of committees and subcommittees. (pp. D7-28).

SENATE

10. LABOR. Continued debate on H.R. 2157, the portal-to-portal pay bill (pp. 2181-2206).
11. AUDIT REPORT. Received the GAO audit report of the TVA for the fiscal year 1946 (p. 2174).
12. SCHOOL-LUNCH PROGRAM. Received a S.C. Legislature resolution requesting that additional funds be provided for this program (p. 2174).
13. RECLAMATION. Received a N.Dak. Legislature resolution urging the continuation of the development of the Missouri River Basin (p. 2175).
Sen. Langer, N.Dak., inserted resolutions from various organizations in his State urging the development of reclamation projects (pp. 2177-9).
14. TRANSPORTATION. Received N.Dak. Legislature resolutions urging the removal of boxcar controls and the extension of time for the availability of funds under the Federal Aid Highway Act (pp. 2175, 2176).
15. SUBMARGINAL LANDS; RURAL ELECTRIFICATION. Received N.Dak. Legislature resolutions favoring the opening of submarginal lands for homestead entry and the continuation and expansion of the rural-electrification program (p. 2176).
16. FOOT-AND-MOUTH DISEASE; FARM PRICES. Received N. Dak. Legislature resolutions urging cooperation with Mexico in eradicating the foot-and-mouth disease, favoring permanent legislation to maintain a floor of not less than 90% of parity for all basic farm crops, and urging the Government to pay the difference between the ceiling price on 1946 flax and the price obtainable after the ceiling had been lifted (pp. 2176-7).

BILLS INTRODUCED

17. RURAL TELEPHONES. H.R. 2585, by Rep. Poage, Tex., to amend the Rural Electrification Act to provide for rural telephones. To Agriculture Committee. (p. 2237).
18. WOOL. S. 917, by Sen. Saltonstall, Mass. (for himself and Sen. Lodge, Mass.), to encourage the production of sheep, to protect the domestic price for wool, and to provide for the national defense. To Agriculture and Forestry Committee. (p. 2179).

19. RECLAMATION. S. 912, by Sen. Downey, Calif. (for himself and others), exempting certain projects from the land-limitation provisions of the Federal reclamation laws and repealing all inconsistent provisions of prior acts. To Public Lands Committee. (p. 2179.)
- S. 921, by Sen. Hatch, N. Mex., to authorize a project for the rehabilitation of certain works of the Fort Sumner irrigation district in N. Mex. To Public Lands Committee. (p. 2179.)
- H.R. 2583, by Rep. Jones, Ohio, to amend the Interior Department Appropriation Act, 1939, with respect to the use of money received in connection with irrigation projects. To Public Lands Committee. (p. 2237.)
20. PERSONNEL. H.R. 2567, by Rep. Butler, N.Y., to amend the Civil Service Retirement Act. To Post Office and Civil Service Committee. (p. 2237.)
21. DAYLIGHT-SAVING TIME. H.R. 2568, by Rep. Dirksen, Ill., authorizing the Commissioners of the D. of C. to establish daylight saving time in D.C. during 1947. To District of Columbia Committee. (p. 2237.)
22. INFORMATION. H.R. 2573, by Rep. Welch, Calif., to authorize the Director of the U.S. Geological Survey to produce and sell copies of aerial or other photographs and mosaics, and photographic or photostatic reproductions of records, on a reimbursement of appropriations basis. To Public Lands Committee. (p. 2237.)
23. SCHOOL-LUNCH PROGRAM. H.R. 2576, by Del. Fernos-Isern, P.R., to amend sections 4 and 5 of the act entitled "An act to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs." To Education and Labor Committee. (p. 2237.)
24. POSTAL SERVICE. H.R. 2588, by Rep. Youngblood, Mich., requiring all mails consigned to an airport from a post office or branch, or from an airport to a post office or branch, within a radius of 35 miles of a city in which there has been established a Government-owned vehicle service to be delivered by Government-owned motor vehicles. To Post Office and Civil Service Committee. (p. 2237.)

ITEMS IN APPENDIX

25. SCHOOL-LUNCH PROGRAM. Extension of remarks of Rep. Bryson, S.C., favoring this program and including an explanatory statement of the USDA and a S.C. resolution favoring the program (pp. A1117-8).
- Rep. Albert, Okla., inserted and endorsed a Southeastern Teachers' Assoc. resolution urging an appropriation for carrying out the school-lunch program (pp. A1137-8).
26. SUGAR SUPPLY. Sen. Kilgore, W.Va., inserted a Wheeling (W.Va.) News-Register editorial, "Our Sugar Supply" (p. A1101).
27. FLOOD CONTROL. Rep. Simpson, Ill., inserted Pike County (Ill.) Republican editorials urging flood-control work in the Sny Valley (pp. A1102-3, A1134-5).
28. REGIONAL AUTHORITY. Rep. Kefauver, Tenn., inserted Gordon Clapp's article, "The Tennessee Valley Faces the Future" (pp. A1125-6).
29. FEDERAL AID EDUCATION. Sen. Taft, Ohio, inserted his recent address, "The Sound Basis for Federal Aid to Education" (pp. A1091-2).
30. RESEARCH. Speeches in the House by Reps. Philbin (Mass.) and Philips (Calif.) commending the work and accomplishments of Luther Burbank in the field of

horticulture (pp. A1093, A1128).

31. NATIONAL FORESTS. Rep. Angell, Oreg., inserted an Oreg. Legislature resolution urging restriction of the acquisition of national forest lands solely to such lands as may be acquired by appropriations of money from the Federal Treasury (p. A1138).
32. PRICE CONTROLS. Rep. MacKinnon, Minn., inserted the statement of the President directing the abandonment of price and wage controls in Nov. 1946 (p. A1105).
33. FOREIGN TRADE. Rep. Forand, R.I., inserted a Providence (R.I.) Journal editorial favoring freedom of world trade on a cooperative basis (pp. A1131-2).
Extension of remarks of Rep. Van Zandt, Pa., advocating tariff protection for the tanning industry and including a letter from a Boston, Mass., tanning company (p. A1131).
34. APPROPRIATIONS. Extension of remarks of Rep. Shafer, Mich., criticizing the supplemental appropriation requests, since they are not reflected in the overall budget figures (pp. A1135-6).
35. HOUSING. Rep. Kefauver, Tenn., inserted Sen. Tobey's (N.H.) National Public Housing Conference address, "Need for National Housing Program" (p. A1113).
36. FOREIGN RELIEF. Various remarks and articles on the foreign relief question (pp. A1097-8, A1109, A1109-11, A1112-3, A1117, A1121-2, A1122-4, A1126, A1132, A1134, A1136-7).
37. FOREIGN TRADE. Sen. Kilgore, W.Va., inserted a N.Y. Times article advocating a U.S. economic policy which will permit a free flow of world trade (pp. A1103-4).

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COMMITTEE HEARINGS ANNOUNCEMENTS for Mar. 18: S. Banking and Currency, Wagner-Ellender-Taft housing bill (Brannan); H. Public Lands, Reclamation Act amendments (Brannan); H. Appropriations, agricultural and deficiency appropriations (ex.); H. Agriculture, wool legislation (ex.); H. Expenditures in the Executive Departments, surplus-property investigation; H. Judiciary, war-powers continuation (ex.); H. Post Office and Civil Service, civil-service rules revision (to hear personnel directors); S. Expenditures in the Executive Departments, department of health; S. Small Business, newsprint shortage; H. Banking and Currency, rent and housing material controls; H. Foreign Affairs, foreign relief; H. Rules, sugar controls.

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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EXTENSION OF AUTHORITY WITH RESPECT TO DISTRIBUTION AND PRICING OF SUGAR

MARCH 15, 1947.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WOLCOTT, from the Committee on Banking and Currency,
submitted the following

REPORT

[To accompany H. J. Res. 146]

The Committee on Banking and Currency, to whom was referred the joint resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the joint resolution as amended do pass.

The amendments are as follows:

The amendment to the text of the joint resolution strikes out all after the resolving clause and inserts a substitute as follows:

That (a) notwithstanding any other provisions of law, the Emergency Price Control Act of 1942 (56 Stat. 23); the Stabilization Act, 1942 (56 Stat. 765); title III of the Second War Powers Act, 1942 (56 Stat. 177), and the amendment to existing law made thereby; title XIV of the Second War Powers Act, 1942 (56 Stat. 177); and section 6 of the Act of July 2, 1940 (54 Stat. 714); all as amended and extended, shall continue in effect with respect to sugar to and including October 31, 1947, except that authority to continue inventory controls may be exercised to and including March 31, 1948: *Provided, however, That—*

(1) the authority contained herein shall not be deemed (i) to permit the allocation or rationing of any product (other than the allocation of such product imported or brought into continental United States) unless a regulation providing for allocation or rationing thereof was in effect on February 18, 1947, or (ii) to permit price control over any product unless a price-control regulation with respect thereto was in effect on February 18, 1947;

(2) no person shall be subject to any criminal penalty or civil liability, under any such provision of law, on account of any act or omission which is made unlawful by section 4 of this Act;

(3) sections 203 and 204 of the Emergency Price Control Act of 1942, as amended, shall not apply in the case of any regulation or order hereafter issued in the exercise of any power, function, or duty transferred by section 3 (a) of this Act; and

(4) hereafter no person shall be required to secure a license, and no license shall be issued to any person, under section 205 of the Emergency Price Control Act of 1942, as amended, for the purpose of providing for the enforcement of any regulation or order relating to sugar.

(b) Notwithstanding the provisions of any other law, the Secretary of Agriculture, in exercising the allocation and rationing authority transferred to him by section 3 of this Act, shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, provide for the needs of hardship cases, for the needs of new sugar users, and for the needs of those who have no base period history.

SEC. 2. Prior to the expiration of the authority granted by this Act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this Act when he determines that the supplies of sugar are sufficient to warrant such action.

SEC. 3. (a) The powers, functions, and duties of (1) the President under title III of the Second War Powers Act, 1942, and the amendment to existing law made thereby; (2) the President or any executive department under section 6 of the Act of July 2, 1940; (3) the Price Administrator under the Emergency Price Control Act of 1942; and (4) the President and the Price Administrator under the Stabilization Act of 1942, all as amended and extended (and irrespective of what officer, department, or agency may be now exercising any such power, function, or duty) are, insofar as they relate to sugar, hereby transferred to and shall be executed by the Secretary of Agriculture.

(b) Every order, directive, rule or regulation relating to any power, function, or duty transferred by subsection (a) of this section, issued by any officer, department, or agency heretofore performing such power, function, or duty, which is not in conflict with the provisions of this Act and which is in effect on the date of the enactment of this Act, shall continue in full force and effect, according to its terms, unless and until modified or rescinded by the Secretary of Agriculture.

(c) So much of the unexpended balances of appropriations, allocations, or other funds, and the property, available for the use of any officer, department, or agency in the exercise of any power, function, or duty transferred by subsection (a) of this section or for the use of the Secretary of Agriculture in the exercise of any power, function, or duty so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of such powers, functions, or duties. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such balances of appropriations, allocations, or other funds prior to the transfer. Such personnel as the Director of the Bureau of the Budget determines to be required may also be transferred temporarily to the Department of Agriculture pending termination in whole or in part of the powers, functions, and duties transferred by subsection (a) of this section. There are authorized to be appropriated to the Secretary of Agriculture such sums as may be necessary to carry out the provisions of this Act.

SEC. 4. (a) It shall be unlawful for any person to do or omit to do any act, in violation of any order, directive, rule, or regulation continued in effect by section 3 (b) of this Act or issued in the exercise of any power, function, or duty transferred by section 3 (a) of this Act.

(b) It shall be unlawful for any officer or employee or the Government, or for any adviser or consultant to the Secretary of Agriculture in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

(c) Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than \$5,000, or to imprisonment for not more than two years in the case of a violation of subsection (b) and for not more than one year in all other cases, or to both such fine and imprisonment.

SEC. 5. As used in this Act—

(a) The term "person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: Provided, That no punishment provided by this Act shall apply to the United States, or to any such government, political subdivision, or agency.

(b) The term "sugar" means any grade or type of saccharine product derived from sugarcane, sugar beets, or corn, including liquid sugar, sirups, molasses, or mixtures thereof, and sugar-containing products, which contain sucrose, dextrose, or levulose.

The other amendment made by the committee strikes out the preamble of the joint resolution.

NECESSITY FOR CONTINUED SUGAR CONTROL

WORLD PRODUCTION OF SUGAR

Devastation during the war in important sugar-producing areas has resulted in a short world supply of sugar. The low point in sugar production was reached in 1945-46 with a world production of 26,692,000 tons which amounted to only 77 percent of the prewar 1935-39 average production of 34,660,000 tons.¹ Estimated production in 1946-47 showed an important recovery to 30,361,000 tons or 88 percent of the prewar average. The following table gives in detail the world production by areas, both prewar and from 1944 to 1947:

Sugar (raw value): Production in specified countries—Average, 1935-39; annual, 1944-47

[1,000 short tons]

Country	Average, 1935-39	1944-45	1945-46	1946-47 ¹
North America, Central America, and West Indies (cane):				
Canada (beet).....	76	88	85	90
United States (beet).....	1,520	1,056	1,278	1,541
United States.....	474	437	475	461
Hawaii.....	986	821	700	800
Puerto Rico.....	974	964	910	1,000
Virgin Islands.....	6	4	6	6
Cuba.....	3,168	3,923	4,476	(5,500)
Dominican Republic.....	491	407	506	540
Other countries.....	1,050	1,036	1,170	1,219
Total.....	8,745	8,736	9,606	11,157
South America (cane), total.....	2,418	2,635	2,658	2,815
Europe (chiefly beet), total.....	10,366	6,854	5,494	7,377
Africa (cane), total.....	1,291	1,261	1,142	1,255
Asia (cane):				
Java.....	1,447	125	22	55
Philippine Islands.....	1,127	(75)	115	200
Other countries.....	8,230	7,611	6,870	6,745
Total.....	10,804	7,811	7,007	7,000
Oceania (cane), total.....	1,036	813	778	757
Total cane sugar.....	22,655	20,060	19,779	21,328
Total beet sugar.....	12,005	8,050	6,906	9,033
Total cane and beet sugar.....	34,660	28,110	26,685	30,361
Percent.....	100	77	77	88
Decrease from prewar average (1935-39).....		-6,550	-7,975	-4,299

¹ Preliminary.

Source: Foreign Crops and Markets, Dec. 16, 1946, except that United States beet and cane figures are from BAE, Crop Reporting Board, Final Summary, Dec. 17, 1946; for Cuba (1946-47), the estimate of 5 million tons carried by Foreign Crops and Markets has been raised to 5.5 million tons on the basis of recent favorable forecasts by various trade sources.

¹ Sugar production is stated in short tons, raw value. A short ton is 2,000 pounds; 1.07 pounds of raw sugar equals 1 pound of refined sugar. The sugar year is October to October. Fall domestic beet and cane production moves into consumption partially during the following calendar year. Most of other cane production takes place in the first half of the calendar year.

It will be noted from the preceding table that European production (chiefly beet) in 1945-46 amounted to 5,494,000 tons or only 53 percent of the prewar average. Production for 1946-47 shows almost a 2,000,000-ton increase to 7,377,000 tons which is 71 percent of average prewar production in that area. In the Philippine Islands, which prewar normally provided the United States with 900,000 to 1,000,000 tons of sugar per year, production dropped to only 115,000 tons from the prewar average of 1,127,000 tons. Even the recovery to 200,000 tons estimated for 1946-47 is not sufficient to put the Philippines on a self-sustaining basis as it appears it will be necessary for them to import sugar to meet part of their domestic-consumption requirements this year.

In contrast to the above-noted decreases in production, the North America, Central America, and West Indies area shows important increases from the prewar levels. Production of 9,606,000 tons in 1945-46 was approximately 10 percent over the prewar average of 8,745,000 tons while 1946-47 production estimated at 11,157,000 tons represents a gain of about 28 percent. The outstanding gain in production is that made by Cuba, whose 1946-47 production estimated at 5,500,000 tons is 74 percent over the 1935-39 average of 3,168,000 tons.

UNITED STATES AREA PRODUCTION ²

Excluding the Philippine Islands which, as noted above, cannot at the present time contribute to United States sugar production, the prewar and present record of production in United States areas is as follows:

Sugar production: United States areas and total world, prewar average and annual to 1946-47

[In thousand short tons, raw value]

	Average, 1935-39	1940-41	1941-42	1942-43	1943-44	1944-45	1945-46	1946-47 ¹
United States areas:								
Domestic beet.....	1,520	1,897	1,588	1,726	998	1,056	1,278	1,541
Continental cane.....	474	332	419	460	498	437	475	461
Hawaii.....	986	947	870	886	875	821	700	800
Puerto Rico.....	974	932	1,148	1,039	723	964	910	1,000
Virgin Islands.....	6	8	1	4	3	4	6	6
Subtotal.....	3,960	4,116	4,026	4,115	3,097	3,282	3,369	3,808
Total world (including United States).....	34,660	35,823	31,988	30,344	30,781	28,110	26,685	30,361

¹ Preliminary.

Source: Average 1935-39 and annual 1943-46 from Foreign Crop and Markets, Dec. 16, 1946 (adjusted for later crop information). Annual 1940-42 from The World Sugar Situation, August 1946.

United States area production of 3,808,000 tons in 1946-47 is 96 percent of the 1935-39 average which compares with a figure of 88 percent for world production in 1946-47 of the 1935-39 average. Domestic beet-sugar production in 1946-47 was 1,541,000 tons which slightly exceeded the prewar average; and domestic cane-sugar production was 461,000 tons which was only slightly under the prewar

² Includes mainland and offshore areas of Hawaii, Puerto Rico, and Virgin Islands.

level. It is estimated that beet-sugar production in 1947-48 will approach or exceed the previous domestic record beet-sugar production of 1,726,000 tons in 1942-43, and the trade anticipates that domestic cane-sugar production in 1947-48 will approach 500,000 tons.

Not all of the off-shore sugar production in the United States areas is available for consumption in the United States as some of the production must be reserved for consumption in the production areas. However in 1947 the United States will receive all of the exportable surplus sugar production of Hawaii, Puerto Rico, and the Virgin Islands.

1947 UNITED STATES SUGAR SUPPLIES

In 1947 the United States must look to Cuba just as it has in the past for a substantial portion of the sugar necessary to meet our requirements. Historically, the United States has taken approximately two-thirds of Cuban sugar exports. The substantial increase in the present Cuban crop over the average of the 1935-39 period will enable the United States to offset the serious loss of Philippine production which in prewar years provided the United States with slightly under 1,000,000 tons of sugar per year.

On February 21, 1947, the International Emergency Food Council recommended the distribution among 24 consuming nations or areas of 14,986,000 tons of sugar.³ The recommendations, when accepted by the various governments, become effective. The United States, as did most governments, agreed to accept the recommendations. Primarily, the effect of the International Emergency Food Council recommendation on our sugar supply deals with our takings of sugar from Cuba. The recommendation does not affect our continental supply or our supply from all our domestic areas. These are all marketed in the United States. The allocation to the United States from Cuba is 3,146,000 tons which is approximately our historical average of two-thirds of Cuban sugar exports. The total allocation to the United States is 6,800,000 tons for the calendar year 1947, from the following sources:

	Tons
Continental beet and cane.....	1, 760, 000
Puerto Rico and Virgin Islands.....	894, 000
Hawaii.....	800, 000
Cuba.....	3, 146, 000
Undesignated.....	200, 000
Total.....	6, 800, 000

This allocation compares with the average United States consumption of sugar during the 1935-39 period of 6,700,000 tons but due to the increase in population from 129,000,000 to 143,000,000 it will only provide an estimated per capita consumption in 1947 of 87 pounds of refined sugar as compared with an average of 96 pounds of refined

³ The International Emergency Food Council has no mandatory powers. It seeks to coordinate proposed distribution of exportable food supplies which are in short supply so that they may be used as effectively as possible in meeting pressing world food needs. Its recommendations are only effective upon acceptance by the member governments. The 30 nations which now comprise membership in the Council are as follows: Australia, Austria, Belgium, Brazil, Canada, Chile, China, Cuba, Czechoslovakia, Denmark, Egypt, Finland, France, Greece, India, Italy, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Republic of the Philippines, Siam, Sweden, Switzerland, Turkey, Union of South Africa, United Kingdom, and the United States.

sugar per capita during the 1935-39 period. In recommending sugar allocations for 1947 the International Emergency Food Council proposed distribution that would provide each of the 24 consuming nations with at least 75 percent of its prewar average per capita consumption and in the case of the United States, Canada and the United Kingdom, which prewar had approximately the same per capita consumption, the proposed 1947 distribution amounts to about 90 percent of prewar average per capita consumption. The following table gives detail of the recommended sugar allocations for 1947.

International Emergency Food Council recommended sugar allocation for 1947 by source of supply

[In thousand short tons, raw value]

Claimant	Total recommended allocation	Source			
		Domestic supplies	Imports excluding Cuba	Imports from Cuba	Undesignated ¹
United States.....	6,800	1,760	1,694	3,146	200
United Kingdom and Canada.....	3,084	729	1,166	989	200
Austria.....	46	31	15	0	0
Belgium.....	247	240	7	0	0
France.....	894	752	38	74	30
French North Africa.....	347	30	100	174	43
French colonies.....	59	0	0	25	34
Finland.....	91	10	20	55	6
Greece.....	70	0	14	51	5
Hungary.....	69	51	18	0	0
Netherlands.....	283	230	0	20	33
Norway.....	89	0	39	44	6
Sweden.....	330	320	10	0	0
Switzerland.....	148	27	43	68	10
Eire.....	94	55	0	0	39
Yugoslavia.....	72	19	47	0	6
Philippines.....	127	97	0	30	0
Korea.....	40	0	0	20	20
Japan.....	50	10	0	20	20
India.....	1,260	1,140	0	36	84
Albania.....	4	0	4	0	0
Italy.....	357	357	0	0	0
Germany.....	425	425	0	0	0
Total.....	14,986	6,283	3,215	4,752	736

¹ Represents additional sugar which may become available from sources already designated (such as domestic production in excess of estimates) or sugar imports from sources not now contributing to the sugar pool which may later become available.

It will be noted in the preceding table that domestic sources will provide 1,760,000 tons of the total recommended allocation of 6,800,000 tons for the United States. This amount from domestic sources represents sugar that will be available for consumption in the calendar year 1947. It is also anticipated that stocks on hand in the United States can be built up during the year to a level more nearly in line with those which, in the past, were found necessary in order to insure an orderly flow of sugar in a free market. January 1, 1947 stocks amounted to 1,441,531 tons and it is anticipated that by the end of this year stocks can be built up to approximately 1,900,000 tons with domestic beet production accounting for most of the increase. Data on domestic stocks follows:

Stocks of sugar in hands of primary distributors on December 31.

[Short tons, raw value]

	1942	1943	1944	1945	1946
Refiner's raws	359,815	471,139	331,226	234,239	182,401
Refiner's refined	270,605	238,709	63,093	143,294	148,890
Beet-sugar processors	1,292,723	833,497	747,739	919,942	991,859
Importers' direct-consumption sugar	78,689	61,832	7,705	8,788	12,649
Mainland cane factories	134,393	141,171	77,327	111,814	105,732
Total stocks ¹	2,136,230	1,751,348	1,227,090	1,418,077	1,441,531

¹ Excluding raws for processing held by importers other than refiners, which amounted to 14,988 short tons, raw value, in 1943; 1,186 tons in 1942 (none in 1944, 1945, and 1946).

Source: U. S. Department of Agriculture, Production and Marketing Administration bulletin of Feb. 13, 1947, Sugar Statistics for Calendar Year 1946.

ESTIMATED DOMESTIC DISTRIBUTION OF SUGAR

Under rationing, the OPA Sugar Department estimates of sugar distribution by types of use by quarters from 1945 to date are as follows:

Estimated sugar distribution by types of use by quarters, 1945, 1946, and first 2 quarters 1947

[In short tons]

	1945				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Home use	318,389	292,833	253,221	360,884	1,225,327
Home canning	328	183,068	186,747	111,266	481,409
Institutional use	148,058	89,074	165,022	72,765	474,919
Wholesalers', retailers' inventory adjustment ¹	50,000	10,000			60,000
Industrial use ²	668,547	728,222	648,197	537,925	2,582,892
Industrial inventory release	15,000	15,000	15,000	15,000	60,000
Miscellaneous ³	45,252	56,368	42,822	56,919	201,361
Total	1,245,574	1,374,566	1,311,009	1,154,759	5,085,908
Noneivilian provisional ⁴	-4,851	-6,189	-57,200	-6,916	-75,156
Net civilian distribution	1,240,723	1,368,377	1,253,809	1,147,843	5,010,752
	1946				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Home use	337,000	245,227	265,226	302,797	1,150,250
Home canning	58,400	236,946	400,369	69,763	765,478
Institutional use	101,245	70,776	123,414	70,198	365,633
Wholesalers', retailers' inventory adjustment ¹	25,000	25,000			50,000
Industrial use ²	533,978	751,877	710,410	576,734	2,572,999
Industrial margin ³	15,000	15,000	15,000	15,000	60,000
Advance industrial purchases ⁴				75,000	75,000
Miscellaneous ⁵	113,066	106,424	108,974	111,705	440,169
Total	1,183,689	1,451,250	1,623,393	1,221,197	5,479,529
	1947				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Consumer use ¹	390,550	699,773			
Institutional use	111,375	83,118			
Wholesalers', retailers' inventory adjustment ¹	50,000	30,000			

See footnotes at end of table, p. 8.

Estimated sugar distribution by types of use by quarters, 1945, 1946, and first 2 quarters 1947—Continued

[In short tons]

	1947				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Industrial use ²	591, 597	780, 596	-----	-----	-----
Industrial margin ⁴	15, 000	15, 000	-----	-----	-----
Allotments to war producers ⁵	-----	50, 000	-----	-----	-----
Miscellaneous ³	101, 478	81, 513	-----	-----	-----
Total.....	1, 260, 000	1, 740, 000	-----	-----	-----

¹ In 1945 and 1946 adjustments were provided to restore inventory to or near original inventory. 1947 adjustment is intended as a flat percentage adjustment of original inventory.

² The totals listed for industrial use represent estimated cashing of ration currency whereas on the separate industrial table, the amounts show estimated use of industrial sugar.

³ Miscellaneous: Included in this category are rations for bee feeders; illness and furlough rations; special incentive allotments to beet- and cane-sugar growers; allowances made for temporary farm labor, special allowances for church supports, etc. It also covers deliveries of sugar to consumers without collection of ration evidence; overissuance of sugar to provisional users; overdrafts and counterfeit stamps.

⁴ Noncivilian provisional use: While all sugar for provisional industrial use was issued through the usual channels, the amount represented by purchases made by exempt agencies was deducted to arrive at more accurate civilian distribution. The amount in 1946 was small and included in the civilian allocation.

⁵ Industrial margin: This amount provides for new bases given to veterans and for adjustments on established bases.

⁶ Advance industrial purchases: As allotments for first quarter 1947 industrial use were issued from December 10, 1946, on, industrial users immediately placed their orders with primary distributors. Supplies were available and far heavier than normal deliveries against these orders were made late in December 1946. The lower than usual deliveries in January 1947 substantiated this assumption.

⁷ Consumer use: This combines home-use and home-canning sugar.

⁸ Allotments for war producers: New industrial-use bases or increased bases to be given to those industrial users who increased their production capacities as a result of exempt agency orders during the war years.

Source: OPA Sugar Department

Distribution of 1,726,736 tons of sugar in 1945 for home use and home canning provided our estimated civilian population of 129,700,000 with approximately 24 pounds of refined sugar per capita. In 1946 the allocation for home use and home canning was 1,915,728 tons which to an estimated civilian population of 139,200,000 provided about 25 pounds of refined sugar per capita. With an indicated 6,800,000 tons of sugar available in 1947, it is anticipated that consumer allotment can be increased to 35 pounds of refined sugar per capita on an estimated population of 143,000,000. The committee is strongly of the opinion that 35 pounds of refined sugar per capita this year is the minimum that should be made available for direct consumer use. It is hoped the 10-pound increase per capita over the 1946 allotment which will approximate an increase of between 30 and 40 pounds per family will give the housewife more freedom in choice as to whether she buys or processes herself sugar-containing products for family use.

Increased supplies in 1947 should also permit some expansion in industrial and institutional use. Distribution among industrial users in recent periods is as follows:

(Tons, raw value)

DISTRIBUTION AND PRICING OF SUGAR

Class	1945					1946			1947	
	First quarter	Second quarter	Third quarter	Fourth quarter	Total	First quarter	Second quarter	Third quarter	Fourth quarter	Total
NONPROVISIONAL										
1. Bread, baking.....	175,685	177,654	142,922	139,406	635,667	123,610	155,340	132,804	129,450	541,204
2. Baking mixes.....	8,342	8,063	6,322	6,672	29,419	4,327	5,325	4,248	4,763	18,616
3. Breakfast cereals.....	3,437	4,364	3,479	2,199	13,479	2,069	3,273	3,188	1,763	9,398
4. Ice cream.....	21,381	44,722	34,189	17,109	117,401	12,273	30,538	33,182	16,696	92,693
5. Case condensed milk.....	6,133	8,851	5,965	5,229	26,178	4,385	8,184	7,162	6,279	26,010
6. Extracts and beverages.....	117,172	171,545	155,079	104,257	548,053	85,308	158,151	184,974	125,331	553,764
7. Salad dressing.....	4,265	5,319	3,361	2,459	15,404	3,661	4,916	4,039	2,936	14,962
8. Products in oil.....	519	501	424	414	1,858	505	624	658	648	2,435
9. Candy, chocolate, gum.....	122,411	108,981	89,873	101,973	423,238	78,414	88,247	95,806	108,675	371,142
10. Sandwiches.....	46	32	22	25	125	33	29	27	30	119
11. Dehydrated soups.....	48	65	46	36	195	34	60	55	44	193
12. Canned food.....	10,767	10,746	12,629	9,116	43,258	7,912	10,182	15,420	11,208	44,722
13. Experimental, educational.....	407	280	153	241	1,081	262	260	184	289	1,025
14. Pharmaceutical (internal).....	10,683	7,925	8,319	10,201	37,128	9,417	7,942	9,102	11,145	37,606
15. Pharmaceutical (external).....	227	226	210	212	875	199	226	230	231	886
16. All other food.....	20,675	19,554	14,520	15,359	70,108	14,913	18,234	17,597	18,604	69,338
17. All other nonfood.....	6,355	6,349	4,848	5,012	22,564	4,539	5,861	5,819	6,015	22,234
18. Jams and jellies.....	46,685	39,338	26,163	26,670	138,836	29,036	33,757	30,856	30,895	124,534
Nonprovisional total.....	555,238	614,525	508,514	446,590	2,124,867	380,307	531,139	544,962	474,974	1,931,352
PROVISIONAL										
Canned fruits and vegetables.....	21,639	12,060	65,097	25,695	124,491	13,176	19,294	164,799	39,104	236,373
Bulk milk.....	19,606	55,561	31,178	19,745	126,090	29,004	82,898	64,420	16,050	192,372
Meat packing.....	8,197	5,277	4,854	9,475	27,803	8,493	6,046	4,854	9,475	28,868
Catsup, chili sauce.....	10,458	8,314	31,129	8,023	57,924	13,927	9,890	32,539	9,577	65,933
Provisional total.....	59,900	81,212	132,258	62,938	336,308	64,600	118,128	206,612	74,206	523,546
Population shifts.....	28,409	32,486	32,425	28,397	121,717	27,558	31,513	31,454	27,546	118,071
Grand total.....	643,547	728,223	673,197	537,925	2,582,892	472,465	680,780	843,028	576,726	2,572,999
										509,232
										770,435

Source: OPA Sugar Department.

Industrial users of sugar have been to a large extent rationed on an historical basis; that is, allotments were made on the basis of a percentage of historical use in a base period, usually the year 1941. The year 1941 was a year of large civilian consumption of sugar. In that year an estimated 7,350,000 tons of sugar were used which amounted to per capita consumption of 103.6 pounds of refined sugar. This compares with the prewar average of 6,700,000 tons which provided an average per capita consumption of 96.5 pounds of refined sugar. Subsequent adjustments have increased the present industrial base above the original 1941 level. Certain industrial users have been given sugar allotments on a provisional basis; that is, sugar was made available on the basis of needs to meet a justified use.

CONCLUSION

The committee feels that it would be unwise at this time to terminate the authority to exercise rationing and price control over sugar. It feels that if such controls were terminated at this time, it might result in excessive price increases and the further probability that the housewife would be at a disadvantage of having to bid against the industrial user for the available short supply. Therefore, it recommends that the authority be continued to October 31, 1947, with the right to exercise inventory controls until March 31, 1948, and that the program shall be administered by the Secretary of Agriculture.

The committee has further recommended that the Secretary of Agriculture in the administration of the allocation program shall provide for the needs of hardship cases, and for the needs of new users and those having no base-period history. It feels that with the increased sugar available during 1947, over 1946, for industrial users that the reasonable needs of new users, and the reasonable relief of hardship cases including provision of sugar to prevent the wastage of mill and other food products, must be provided for by the Secretary of Agriculture.

SECTION BY SECTION EXPLANATION OF THE COMMITTEE SUBSTITUTE

SECTION 1

Subject to certain exceptions and limitations explained below, section 1 (a) of the substitute reported by the committee continues in effect, with respect to sugar, to and including October 31, 1947 (and to and including March 31, 1948, with respect to inventory controls relating to sugar) the following provisions of law, all as amended and extended:

(1) The Emergency Price Control Act of 1942 and the Stabilization Act, 1942, which contain price control authority.

(2) Title III of the Second War Powers Act, 1942 (and the amendment made thereby to section 2 (a) of the act of June 28, 1940 (54 Stat. 676)), which contains allocation and rationing authority.

(3) Title XIV of the Second War Powers Act, 1942, which relates to the securing and making available of certain information.

(4) Section 6 of the act of July 2, 1940 (54 Stat. 714), which grants certain authority to prohibit or curtail exports.

Under present law the Emergency Price Control Act of 1942 and the Stabilization Act of 1942 will expire June 30, 1947; title III of the Second War Powers Act, 1942, and the amendment made thereby, will expire on March 31, 1947 (except that authority with respect to allocation of building materials, and facilities relating to the utilization of building materials, does not expire until June 30, 1947); title XIV of the Second War Powers Act, 1942, will expire on March 31, 1947; and section 6 of the act of July 2, 1940, will expire on June 30, 1947. Continuance in effect of these provisions of law for a limited time, with respect to sugar, is necessary to effectuate the purposes of this legislation.

Section 1 of the committee substitute, in four numbered paragraphs contains certain exceptions and limitations with respect to the continued operation of the provisions of law above referred to, as follows:

Paragraph (1) provides that the allocation or rationing authority shall not be exercised with respect to any product (other than the allocation of such product imported or brought into the continental United States) unless a regulation providing for the allocation or rationing thereof was in effect on February 18, 1947. This paragraph also provides that the price control authority may not be exercised in the case of a product unless a price control regulation with respect thereto was in effect on February 18, 1947.

Paragraph (2) provides that no person shall be subject to any criminal penalty or civil liability, under any of the provisions of law above referred to on account of any act or omission which is made unlawful by section 4 of the committee substitute. The effect of this is that in the case of violations occurring after the enactment of this legislation the criminal penalties and civil liabilities under such provisions of law will not apply if such violations are related to controls in the case of sugar, and such violations will be punishable only as provided in section 4 of the committee substitute. In the case of violations of any such provision of law which occurred prior to the enactment of this legislation the criminal penalties and civil liabilities provided therein will continue to apply. This paragraph does not, however, affect the continued use of the injunction authority under such provisions of law in the case of violations hereafter occurring.

Paragraph (3) provides that sections 203 and 204 of the Emergency Price Control Act of 1942, as amended, shall not apply in the case of any regulation or order hereafter issued by the Secretary of Agriculture in the exercise of the authority transferred to him by section 3 (a) of the committee substitute. The effect of this provision is that in the case of price-control regulations and orders (and amendments thereto) hereafter issued by the Secretary of Agriculture the provisions of existing law relating to the protest procedure and the exclusive authority of the Emergency Court of Appeals to pass upon the validity of price-control regulations and orders will not be applicable.

Paragraph (4) denies any further use of the licensing authority under section 205 of the Emergency Price Control Act of 1942 for the purpose of securing enforcement of any price-control regulation or order relating to sugar.

Subsection (b) of section 1 provides that notwithstanding any other provision of law the Secretary of Agriculture, in exercising the allocation and rationing authority transferred to him, shall, in a

manner consistent with the maintenance of an effective national allocation rationing program, provide for the needs of hardship cases, for the needs of new sugar users, and for the needs of those who have no base-period history. It is the intention of the committee that the Secretary of Agriculture, in carrying out this provision, shall make just and reasonable provision for meeting the need for sugar in hardship cases (including cases where sugar is needed to avoid wastage of milk or other food products) and for the needs of new sugar users, and the needs of those who have no base-period history. It is provided that the Secretary shall act without regard to other law, because it is believed that he should not be bound by the provisions of title II of the War Mobilization and Reconversion Act of 1944.

SECTION 2

By this section the Secretary of Agriculture is directed, prior to the expiration of the authority granted to him by virtue of the transfer of the powers, functions, and duties under section 3 (a), to remove any or all controls with respect to any product over which control is authorized, when he determines that the supplies of sugar are sufficient to warrant such action.

SECTION 3

Subsection (a) of this section transfers to the Secretary of Agriculture the powers, functions, and duties, insofar as they relate to sugar, now being exercised by certain officers and agencies of the Government under title III of the Second War Powers Act, 1942, and the amendment to existing law made thereby; under section 6 of the act of July 2, 1940; and under the Emergency Price Control Act of 1942 and the Stabilization Act of 1942. The transfer of these powers, functions, and duties will take effect upon the enactment of this legislation.

Subsection (b) continues in effect orders, directives, rules, and regulations which have heretofore been issued in the exercise of the powers, functions, and duties transferred by subsection (a), and which are still in effect, but only to the extent that such orders, directives, rules, and regulations are not in conflict with the provisions of the legislation here proposed. Such orders, directives, rules, and regulations may be modified or rescinded by the Secretary of Agriculture.

Subsection (c) relates to the transfer to the Secretary of Agriculture of existing appropriations, allocations, and other funds, and of property and personnel for use in carrying out the powers, functions and duties, transferred to him under subsection (a). This subsection also contains an authorization for such additional appropriations to the Secretary as may be necessary to carry out the provisions of the act.

SECTION 4

Subsection (a) makes it unlawful for any person to do any act, or to omit to do any act, in violation of any order, directive, rule or regulation continued in effect by section 3 (b) or issued in the exercise of any power, function, or duty transferred by section 3 (a).

Subsection (b) contains a prohibition against the improper disclosure, by officers, employees, advisers or consultants, of information contained in connection with the operation of this proposed legislation.

Subsection (c) provides that any person who willfully violates any provisions of the committee substitute shall, upon conviction thereof, be subject to a fine of not more than \$5,000, or to imprisonment for not more than 2 years in the case of a violation of subsection (b) and for not more than 1 year in all other cases, or to both such fine and imprisonment.

SECTION 5

This section defines the terms "person" and "sugar" for purposes of the committee substitute.



80TH CONGRESS
1ST SESSION

H. J. RES. 146

[Report No. 150]

IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 1947

Mr. WOLCOTT introduced the following joint resolution; which was referred to the Committee on Banking and Currency

MARCH 15, 1947

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out the preamble and all after the resolving clause and insert the part printed in italic]

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Whereas the war has resulted in an acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national defense and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation, and speculation in sugar; waste or spoilage of perishable agricultural commodities; and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

- 1 *Resolved by the Senate and House of Representatives*
- 2 *of the United States of America in Congress assembled,*

1 That notwithstanding any other provisions of law ⁽¹⁾ the
2 Emergency Price Control Act of 1942 (56 Stat. 23), the
3 Stabilization Act, 1942 (56 Stat. 765), title III and title
4 XIV of the Second War Powers Act, 1942 (56 Stat. 177),
5 and the Act of July 2, 1940 (54 Stat. 714), all as amended
6 and extended, shall continue in effect with respect to sugar
7 to and including March 31, 1948, except that no civil action
8 for damages shall be instituted under this Act and no criminal
9 action may be prosecuted other than for violation of section 4:
10 *Provided*, That the authority contained herein shall not be
11 deemed to permit the allocation or rationing of, or price
12 control over, any product unless a regulation with respect
13 to such product was outstanding or in effect on February
14 18, 1947, other than the allocation of such products im-
15 ported or brought into the continental United States. Not-
16 withstanding the foregoing provisions of this section, the
17 Secretary shall, in a manner consistent with the main-
18 tenance of an effective national allocation and rationing pro-
19 gram, provide for the needs of new sugar users and those
20 who have no base period history.

21 SEC. 2. Prior to the expiration of this Act, the Secretary
22 of Agriculture is hereby authorized and directed to remove
23 any or all controls with respect to any product over which
24 control is authorized by this Act when he determines that
25 the supplies of sugar are sufficient to warrant such action.

1 In connection with such determination, the Secretary shall
2 continually review the world sugar situation and shall, unless
3 such controls are removed prior thereto, certify to the Con-
4 gress on or before October 15, 1947, that continuation of
5 controls authorized herein beyond October 31, 1947, is neces-
6 sary, giving the current facts and reasons for his determina-
7 tion. If the Secretary fails to so certify, controls authorized
8 by this Act will terminate as of October 31, 1947, except
9 that authority to continue inventory controls may be exer-
10 cised until March 31, 1948.

11 SEC. 3. (a) The powers, functions, and duties of (1)
12 the President under title III of the Second War Powers
13 Act, 1942; (2) the President or any executive department
14 under the Act of July 2, 1940; and (3) the Price Ad-
15 ministrator under the Emergency Price Control Act of 1942
16 and the Stabilization Act of 1942, all as amended and
17 extended, shall, insofar as they relate to sugar be, vested
18 in and executed by the Secretary of Agriculture upon the
19 enactment of this Act.

20 (b) All orders, directives, rules, and regulations relating
21 to any function transferred by this section or issued in con-
22 nection therewith by any agency heretofore performing
23 such function, and not in conflict with the provisions of this
24 Act, which are in effect on the date of enactment of this
25 Act, shall continue in full force and effect unless and until

1 modified or revoked by the Secretary of Agriculture or at
2 his direction or under his authorization.

3 (c) So much of the unexpended balances of appro-
4 priations, allocations, or other funds and the property avail-
5 able for the use of any agency in the exercise of any function
6 transferred by this Act or for the use of the Secretary of
7 Agriculture in the exercise of any function so transferred,
8 as the Director of the Bureau of the Budget shall determine,
9 shall be transferred for use in connection with the exercise
10 of such functions. In determining the amount to be trans-
11 ferred, the Director of the Bureau of the Budget may include
12 an amount to provide for the liquidation of obligations in-
13 curred against such balances of appropriations, allocations, or
14 other funds prior to the transfer. Such personnel as required
15 may also be transferred temporarily to the Department of
16 Agriculture pending termination in whole or in part of the
17 functions authorized hereunder. There are authorized to be
18 appropriated to the Secretary of Agriculture such sums as
19 may be necessary to carry out the provisions of this Act.

20 (d) Notwithstanding any other provisions of this Act,
21 with respect to violations, liabilities incurred, or appeals
22 taken thereunder, all provisions of orders, directives, rules,
23 and regulations, pertaining to sugar heretofore used under
24 the Acts referred to in section 1 hereof, shall be deemed
25 to remain in full force and effect for the purpose of sustaining

1 any proper suit, action, or other proceeding with respect to
2 any such violations, liabilities, or appeals.

3 SEC. 4. (a) It shall be unlawful for any person to do
4 or omit to do any act in violation of any order, directive,
5 rule, or regulation transferred or issued under section 3.

6 (b) It shall be unlawful for any officer or employee
7 of the Government, or any adviser or consultant to the
8 Secretary of Agriculture in his official capacity to disclose,
9 otherwise than in the course of official duty any information
10 obtained under this Act, or to use any such information for
11 personal benefit.

12 (c) Any person who willfully violates any provision of
13 this section shall, upon conviction thereof, be subject to a
14 fine of not more than \$5,000, or to imprisonment for not
15 more than two years in the case of a violation of subsection
16 (b) and for not more than one year in all other cases, or
17 to both such fine and imprisonment.

18 SEC. 5. As used in this Act—

19 (a) The term "person" includes an individual, corpora-
20 tion, partnership, association, or any other organized group
21 of persons, or legal successor or representative of any of the
22 foregoing: *Provided*, That no punishment provided by this
23 Act shall apply to the United States, or to any such govern-
24 ment, political subdivision, or agency.

1 (b) The term "sugar" means any grade or type of sac-
2 charine product derived from sugarcane, sugar beets, or corn,
3 including liquid sugar, sirups, molasses, or mixtures thereof,
4 and sugar-containing products, which contain sucrose, dex-
5 trose, or levulose.

6 SEC. 6. The provisions of this Act shall become effective
7 immediately upon enactment.

8 That (a) notwithstanding any other provisions of law, the
9 Emergency Price Control Act of 1942 (56 Stat. 23); the
10 Stabilization Act, 1942 (56 Stat. 765); title III of the
11 Second War Powers Act, 1942 (56 Stat. 177), and the
12 amendment to existing law made thereby; title XIV of the
13 Second War Powers Act, 1942 (56 Stat. 177); and section
14 6 of the Act of July 2, 1940 (54 Stat. 714), all as amended
15 and extended, shall continue in effect with respect to sugar
16 to and including October 31, 1947, except that authority to
17 continue inventory controls may be exercised to and including
18 March 31, 1948: Provided, however, That—

19 (1) the authority contained herein shall not be
20 deemed (i) to permit the allocation or rationing of any
21 product (other than the allocation of such product im-
22 ported or brought into the continental United States)
23 unless a regulation providing for allocation or rationing
24 thereof was in effect on February 18, 1947, or (ii) to
25 permit price control over any product unless a price-

1 control regulation with respect thereto was in effect on
2 February 18, 1947;

3 (2) no person shall be subject to any criminal
4 penalty or civil liability, under any such provision of
5 law, on account of any act or omission which is made
6 unlawful by section 4 of this Act;

7 (3) sections 203 and 204 of the Emergency Price
8 Control Act of 1942, as amended, shall not apply in the
9 case of any regulation or order hereafter issued in the
10 exercise of any power, function, or duty transferred by
11 section 3 (a) of this Act; and

12 (4) hereafter no person shall be required to secure
13 a license, and no license shall be issued to any person,
14 under section 205 of the Emergency Price Control Act
15 of 1942, as amended, for the purpose of providing for
16 the enforcement of any regulation or order relating to
17 sugar.

18 (b) Notwithstanding the provisions of any other law,
19 the Secretary of Agriculture, in exercising the allocation and
20 rationing authority transferred to him by section 3 of this Act,
21 shall, in a manner consistent with the maintenance of an effec-
22 tive national allocation and rationing program, provide for the
23 needs of hardship cases, for the needs of new sugar users,
24 and for the needs of those who have no base period history.

25 SEC. 2. Prior to the expiration of the authority granted

1 by this Act, the Secretary of Agriculture is hereby authorized
2 and directed to remove any or all controls with respect to
3 any product over which control is authorized by this Act
4 when he determines that the supplies of sugar are sufficient
5 to warrant such action.

6 SEC. 3. (a) The powers, functions, and duties of (1)
7 the President under title III of the Second War Powers
8 Act, 1942, and the amendment to existing law made thereby;
9 (2) the President or any executive department under section
10 6 of the Act of July 2, 1940; (3) the Price Administrator
11 under the Emergency Price Control Act of 1942; and (4)
12 the President and the Price Administrator under the Stabi-
13 lization Act of 1942, all as amended and extended (and
14 irrespective of what officer, department, or agency may be
15 now exercising any such power, function, or duty) are,
16 insofar as they relate to sugar, hereby transferred to and
17 shall be executed by the Secretary of Agriculture.

18 (b) Every order, directive, rule or regulation relating
19 to any power, function, or duty transferred by subsection
20 (a) of this section, issued by any officer, department, or agency
21 heretofore performing such power, function, or duty, which
22 is not in conflict with the provisions of this Act and which is
23 in effect on the date of the enactment of this Act, shall con-
24 tinue in full force and effect, according to its terms, unless

1 *and until modified or rescinded by the Secretary of Agri-*
2 *culture.*

3 (c) *So much of the unexpended balances of appro-*
4 *priations, allocations, or other funds, and the property, avail-*
5 *able for the use of any officer, department, or agency in the*
6 *exercise of any power, function, or duty transferred by sub-*
7 *section (a) of this section or for the use of the Secretary of*
8 *Agriculture in the exercise of any power, function, or duty so*
9 *transferred, as the Director of the Bureau of the Budget*
10 *shall determine, shall be transferred for use in connection*
11 *with the exercise of such powers, functions, or duties. In de-*
12 *termining the amount to be transferred, the Director of the*
13 *Bureau of the Budget may include an amount to provide for*
14 *the liquidation of obligations incurred against such balances*
15 *of appropriations, allocations, or other funds prior to the*
16 *transfer. Such personnel as the Director of the Bureau of*
17 *the Budget determines to be required may also be transferred*
18 *temporarily to the Department of Agriculture pending*
19 *termination in whole or in part of the powers, functions, and*
20 *duties transferred by subsection (a) of this section. There*
21 *are authorized to be appropriated to the Secretary of Agri-*
22 *culture such sums as may be necessary to carry out the pro-*
23 *visions of this Act.*

24 *SEC. 4. (a) It shall be unlawful for any person to do*

1 or omit to do any act, in violation of any order, directive,
2 rule, or regulation continued in effect by section 3 (b) of this
3 Act or issued in the exercise of any power, function, or duty
4 transferred by section 3 (a) of this Act.

5 (b) It shall be unlawful for any officer or employee
6 of the Government, or for any adviser or consultant to the
7 Secretary of Agriculture in his official capacity, to disclose,
8 otherwise than in the course of official duty, any information
9 obtained under this Act, or to use any such information, for
10 personal benefit.

11 (c) Any person who willfully violates any provision of
12 this section shall, upon conviction thereof, be subject to a
13 fine of not more than \$5,000, or to imprisonment for not
14 more than two years in the case of a violation of subsection
15 (b) and for not more than one year in all other cases, or
16 to both such fine and imprisonment.

17 SEC. 5. As used in this Act—

18 (a) The term “person” includes an individual, corpora-
19 tion, partnership, association, or any other organized group
20 of persons, or legal successor or representative of any of the
21 foregoing, and includes the United States or any agency
22 thereof, or any other government, or any of its political sub-
23 divisions, or any agency of any of the foregoing: Provided,
24 That no punishment provided by this Act shall apply to the

1 *United States, or to any such government, political subdivi-*
2 *sion, or agency.*

3 **(b)** *The term “sugar” means any grade or type of sac-*
4 *charine product derived from sugarcane, sugar beets, or corn,*
5 *including liquid sugar, sirups, molasses, or mixtures thereof,*
6 *and sugar-containing products, which contain sucrose, dex-*
7 *trose, or levulose.*

80TH CONGRESS
1ST SESSION

H. J. RES. 146

JOINT RESOLUTION

[Report No. 150]

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

By Mr. Wolcott

MARCH 6, 1947

Referred to the Committee on Banking and Currency

MARCH 15, 1947

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

manité of June 20, 1945. He defended Maurice Thorez, convicted deserter and Communist leader. The New York Times of October 6, 1945, page 9, characterizes him as one who "has supported Communist views more often than Socialist views in French politics."

I serve notice upon Secretary of War Patterson that he will be held directly responsible for any difficulties created for General MacArthur in his splendid work in Japan by this delegation which he has permitted to enter that theater.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. O'HARA]?

There was no objection.

ST. PATRICK'S DAY

Mr. O'HARA. Mr. Speaker, on this St. Patrick's Day I take this opportunity to wish my colleagues the very best "Top o' the Mornin'" and to assure you that the sun shines bright in Glocca Morra.

It is a high privilege and pleasure on my part, as a true descendent of Erin, to extend to you greetings. St. Patrick's Day is and always will be a day of national importance and I have it on the authority of our good friend Joe O'Brien that the O'Haras and the O'Briens on the Republican side of the aisle are true descendants of the Kings of Ireland and the Kearneys, Keefe, the Welches, the Devitts, the Brophys, Gavins, Gallaghers, Murrays, and the Maloneys are their captains. We welcome such recruits as the O'Konskis. We acclaim the affection we have for the O'Briens and the O'Tooles of the other side of the aisle, and we treat with tender consideration the Nortons, the Philbins, the Rileys, the Rooneys, the Kelleys, the Kennedys, Keoghs and Kildays, the Delaneys, the Monroneys, the Lynches—yes, the Republican Irish with affection greet the McCormacks of Boston and all of the "Macks," Scotch and Irish; the McConnells, the McCowens, the McDonoughs, the McDowells, the McGarveys, the McGregors, the McMahons; not to say also the Maddens, the Mahons, the Martins, the Fallons, the Feighans, the Flannagans, the Fogartys, and the Folgers, the Bradleys, the Corbetts, the Byrne and the Byrnes.

On this day on no less authority than the Kírwans and the Horans I am assured that the Sabaths, the Blooms, the Lesinskis, the Knutsons, the Muhlenbergs, and the Marcantonios, and from the Abernathys to the Zimmermans, will be a wearin' o' the green.

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

JUVENILE DELINQUENCY

Mr. GROSS. Mr. Speaker, we have just listened to the gentleman from Wisconsin talking about juvenile delinquency. There is just one answer to juvenile delinquency and that lies in the home. What we have done through the years is relinquish our control over the children. We have passed laws that school teachers could not discipline them. As a matter of fact, the children today are just free lances in the world. This is not an old maid talking or somebody who never had any children. I raised eight of my own and I took four others out of homes. Some of them I had for years. I had 10 or more at the table for 12 years. They are all married and have established homes of their own except one. None of them has ever been in any trouble. They are all respected and I am proud of them. If the parents will manage their children and give them a licking when they need it; and when the school teacher gives them a licking, give them another one when they get home, you will not have so much juvenile delinquency.

If children are taught to respect authority in the home by parents who command and demand authority, they will respect law, order, and society outside.

They need to be taken to Sunday school and church, not to be sent. My, how things have changed. When I was a boy and a neighbor came to our farm and asked for a couple of boys to help thresh, father said yes or no. Now when I go out for help, father generally says, "Well, I don't know where the boys are; if you can find them they might work for you." Let us be honest about this thing. Children are not born bad.

EXTENSION OF REMARKS

Mr. WADSWORTH asked and was granted permission to extend his remarks in the Record and include a letter by Herbert J. Strong as printed in the New York Times of March 13.

Mr. SHAFER asked and was given permission to extend his remarks in two instances.

Mr. WILLIAMS asked and was given permission to extend his remarks in the Appendix of the Record and include an article entitled "Communist Fronts."

Mr. FORAND asked and was given permission to extend his remarks in the Record and include an editorial.

Mr. ALBERT asked and was given permission to extend his remarks in the Appendix and include a resolution from the southeastern district of the Oklahoma Educational Association.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the Appendix and include an editorial.

Mr. McMILLAN of South Carolina asked and was given permission to extend his remarks in the Appendix and include a letter from a constituent.

Mr. KEFAUVER asked and was given permission to extend his remarks in the Appendix in two instances, in one to include excerpts from an address by Senator TOBEY, and in the other to include a speech Mr. KEFAUVER made recently.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial from the New York Times.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix of today's Record.]

SPECIAL ORDER GRANTED

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes today at the conclusion of other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[Mr. PHILBIN addressed the House. His remarks appear in the Appendix of today's Record.]

Mr. FORAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include as a part thereof a copy of a bill I introduced, a statement that I made, and also comparative tables to show the variances between the so-called Knutson plan, the present law, and the Forand plan of taxation.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

[Mr. FORAND addressed the House. His remarks appear in the Appendix of today's Record.]

EXTENSION OF REMARKS

Mr. CAMP asked and was given permission to extend his remarks in the Record and include an editorial from the Jackson (Ga.) Progress-Argus.

Mr. ROONEY asked and was given permission to extend his remarks in the Record and include a newspaper article by Vincent Sheen.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. FEIGHAN] may be permitted to extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

TAX EXEMPTION

Mr. FEIGHAN. Mr. Speaker, on last Thursday, I introduced H. R. 2541, which provides for a \$500 tax exemption for the

benefit of one who pays the burial expenses of a dependent.

This is a bill where so little relief will mean so much. For example, when death strikes a member of a poor man's family, and the parent has to borrow a sum of probably \$500 or more to pay the funeral expenses, the parent is faced with a financial burden which may take many, many months to repay. It is then that our Government should allow a \$500 tax exemption to relieve, in a small measure, the expenses incurred at such a time.

The average man with a salary of \$2,000 or \$2,500 per year will always be grateful to the Government for such consideration in his days of sorrow.

It is my hope that the Ways and Means Committee will report this bill favorably so that all members may have an opportunity to approve this measure, which would bring succor to so many people when they are in need.

EXTENSION OF REMARKS

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include an editorial from the San Francisco Chronicle.

Mr. BRYSON asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject of the school-lunch program and include a resolution from the General Assembly of South Carolina.

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. SMATHERS asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD on two subjects and include excerpts and editorials.

Mr. BRADLEY of California asked and was given permission to extend his remarks in the RECORD and include a short editorial from the Long Beach Argus.

PERMISSION TO ADDRESS THE HOUSE

Mr. HUBER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

SUGAR CONTROLS

Mr. HUBER. Mr. Speaker, I understand the House Banking and Currency Committee has favorably reported House Joint Resolution 146, which calls for the removal of all sugar controls on October 31 of this year. This is an invitation to speculators and connivers to hoard the short supply available against the termination date, 6 months away, after which they may skyrocket prices and clean up a fortune at the expense of the American people. President Joseph F. Abbott, of the American Sugar Refining Co., sounded the warning in the New York Times on March 11, 1947:

Reporting on operations last year of the American Sugar Refining Co., Joseph F. Abbott, president, informed stockholders yes-

terday that while the company opposed Government price and rationing controls as a peacetime measure, the sudden elimination of the present wartime sugar-control program undoubtedly would cause substantial price increases and a scramble for available supplies.

Prompt action is necessary, Mr. Abbott contended, to prevent another "boom and bust" situation such as that after the First World War, when prices skyrocketed and then collapsed because of the absence of an orderly decontrol program.

The elephant always remembers, but the Republicans always forget. And I predict that 2 years from now millions of Americans will say "Amen" to the late lamented Republican slogan, "Had enough?"

PERMISSION TO ADDRESS THE HOUSE

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

AID TO THE MINING OF STRATEGIC AND CRITICAL MINERALS

Mr. MURDOCK. Mr. Speaker, in these critical times we must look to national defense, and one of the best means of doing so is to encourage the mining industry so far as strategic and critical minerals and metals are concerned.

There is legislation now pending, which will come to our attention, having the effect of continuing the premium price payment on certain strategic metals. I call this to the attention of the Congress now and will expand on it somewhat later. In view of the fact that a few days ago we passed the so-called Patterson bill which suspends the collection of the 4 cents per pound excise duty on copper for a period of 2 years, as the bill passed the House, we must now take counterbalancing steps to encourage the mining industry in this country.

In expressing my determined opposition on March 12 to the Patterson bill which provided for suspension of the 4-cent-per-pound excise duty on foreign copper I did so because I thought such a move to be adverse to our national security. Of course, I was pleased that day that the original Patterson bill providing for outright repeal of those duties, was not reported to the House. Also I was pleased that the bill which was reported to the House, providing for suspension of duties for a 3-year period was amended to suspend duties only for a 2-year period. Nevertheless, I think the bill passed by the House on March 12 is in the long run dangerous to national security. It would have been far better had the Congress given more consideration to encouraging domestic production of copper instead of being chiefly concerned with getting cheaper raw copper for domestic manufactures. Of course, I want postwar demand supplied adequately but I am more anxious to see an industry encouraged on which our national security rests so completely.

SPECIAL ORDER GRANTED

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Friday next after disposition of matters on the

Speaker's desk and at the conclusion of any special orders heretofore entered, I may address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute at this time and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN addressed the House. His remarks will appear hereafter in the Appendix.]

LEAVE OF ABSENCE

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent that our colleague the gentleman from Wisconsin [Mr. HULL] be given an indefinite leave of absence on account of death in his family.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent that our colleague the gentleman from Wisconsin [Mr. HULL] be given permission to extend his remarks in the RECORD and include an editorial appearing in the Capital Times paying tribute to our late Governor of Wisconsin, Mr. Goodland.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

THE LATE JOSHUA L. JOHNS

Mr. BYRNES of Wisconsin. Mr. Speaker, it is with sadness that I announce to the House the untimely death of Joshua L. Johns, a former distinguished Member of this body. Joshua Johns ably represented the Eighth Wisconsin Congressional District, which I am now honored to serve, from 1939 to 1943. His passing will bring sorrow to the hearts of his former colleagues and to those of us who were privileged to know him well.

Joshua Johns was born in the small Wisconsin town of Eagle, Richland County, on February 27, 1881. After attending public schools in Richland Center, he entered the University of Chattanooga in Tennessee. Upon his graduation, he entered Yale University, receiving his law degree from that school in 1907.

go on and we build a greater and more glorious America.

Even now as the forces of godless communism and destruction stalk through the world and infiltrate into our own country, the Irish-American and the faith he embraces constitute an impassable barrier against the penetration of the evil ideology which would corrupt and poison the lifestream of the American Republic. The Irish-American will never surrender to atheism or communism or any other un-American concept. Like his ancestors of old, he will fight and die, if necessary, in defense of the precious principles of freedom to which he is so passionately attached, and which he has lived by throughout the centuries. His Americanism is of the very highest order.

It is appropriate, therefore, that on this day hallowed in the minds and hearts of every true Irishman, that I should pause to pay my brief tribute to the great patron saint who has inspired Irish devotion and heroism throughout the ages and who will, in the time to come, God willing, continue to strengthen the determination of those who revere him, to labor and fight for God and country and the sacred principles of American freedom.

It is also fitting on this occasion that I should read to this house a splendid editorial entitled "St. Patrick's Day" written by Harry H. Schlacht, which appeared today in the Boston Record.

ST. PATRICK'S DAY

(By Harry H. Schlacht)

"May the road rise to meet you, may the wind be always at your back and may God hold you in the hollow of his hand."

—An Irish Prayer.

This is a great day for the Irish.

This is a great day for the shamrock.

This is Saint Patrick's Day.

Let our eyes dance with joy.

Let our hearts beat with pride.

Let our happiness reign supreme, as we weave the shamrock into a garland of glory for the Emerald Isle.

"O Ireland, isn't it grand you look,
Like a bride in her rich adorning,
And with all the pent-up love in my heart,
I bid you the top of the morning."

It is the land of scholars. It is the abode of poetry, it is the cradle of heroes. It is the nursery of liberty. It is the home of martyrs. It is the isle of the immortal saint.

It is a country with the heart of a child and the smile of a god.

Nowhere is the sky more radiant, nowhere is the air more blithe. Nowhere is the sun more mellow than the sky that smiles. Than the air that blows. Than the sun that shines upon the ancient isle.

You can see the earthly flowers of springtime, revealing their beauty above the green sod of the verdant sea-locked isle. You can see the enameled meads light up the radiance of the moonlight's golden showers.

You can see the bewitching beauty of her mountain tops.

You can see the enticing loveliness of her landscapes.

The heathers bloom upon the hillside. The roses blush in the valleys. The birds caroling in every glen. God has truly blessed Ireland.

Today there is a tear mingled with the smile of an Irishman.

Today there flashes upon the canvas of his memory the joys and sorrows of Ireland.

He dwells upon the folklore and fairy tales. He tells of the charm of Killarney's lakes and fells. He speaks of the refreshing waters of

the Shannon. He hears the melody of the harp that rings through Tara's Hall. He recalls the joyous music of the pipers in the hush of the twilight. He feels the warmth of a crackling fire on a winter night.

Who has not been thrilled by the Irish Lullaby, or the inspiring tunes of Tara's Hall, the Minstrel Boy, the Wearing of the Green, When Irish Eyes Are Smiling, My Wild Irish Rose, and Mother Machree?

St. Patrick symbolizes the highest conception of faith, hope, and charity.

He unfolded the story of his life on the tablets of the human heart.

He made the highways and byways his pulpit.

He illustrated the principles of Trinity by plucking a shamrock from the roadside and using the three leaves on the one stem to convey his religious concepts.

For the shamrock is the symbol of unity and marks the union of one God and three divine persons.

For more than 1,400 years the Irish have held aloft for all the world to see the torch of liberty.

They are ardent believers in tolerance. They are stalwart champions of democracy. They bring everywhere love of and belief in God. They spurn every form of human enslavement. They give strength and vitality to our Nation.

The sun never ceases to shine on the grave of an Irishman.

If we were a painter we would make the portrait eloquent with the deeds of as brave a people as has ever lived. The historical records of our country abound with the stirring saga of their achievement on all the blood-bought battlefields and on the seven seas.

The heroic Irish have written their names with imperishable grandeur upon the pages of our history.

Let us recite here the story of the glory of Irish contribution to the majesty of our Nation.

They fought courageously under George Washington in the war for independence.

They fought for the preservation of the Union, under General Meagher at the Battle of Fredericksburg.

They fought at the Alamo in Texas and at Custer's last stand at Little Big Horn in Montana.

Washington's password was "Saint Patrick."

John Hancock was the first to affix his signature to the Declaration of Independence. John Rutledge was the first to address the Continental Congress. Charles Thomson was the first secretary of that historic body. John

Nixon was the first to read our sacred Declaration. Patrick Henry and Matthews Lyons were the eloquent orators of the Colonies.

Robert Morris helped finance the American Revolution. John Barry was the first commodore of the United States Navy. Twelve signers of the Declaration of Independence and 11 of Washington's generals were of Irish lineage.

Irish blood flowed in six Presidents of the United States. They were Andrew Jackson, James K. Polk, James Buchanan, Chester A. Arthur, William McKinley, and Woodrow Wilson.

Let us remember Robert Fulton and his *Clermont*; Cyrus McCormick and his reaper; John Holland and his submarine; Victor Herbert and his immortal compositions; John T. McCormack and his golden voice; and the other great Irish men and women who have enriched and ennobled the life of our country.

In the War of 1812, Oliver Hazard Perry and Thomas Donough were the two naval heroes, as was the other peerless leader, Andrew Jackson.

In the Civil War there were General Meade, victor at Gettysburg; Gen. Philip Kearney, Gen. Philip Sheridan, Gen. Patrick Meagher, and other Irish heroes.

Memory adds lustre to the heroism in World War I. Let us mention but a few

"Wild Bill" Donovan, Father Duffy, Joyce Kilmer, and Gen. Alec Anderson.

Pride whispers in lullaby tones the great Irish heroes of World War II: Colin Kelly, "Commando" Kelly, "Point Blank" Callaghan, Conroy, McGuire, Devereux, Finn, Flaherty, O'Donnell, and McAuliffe, and others too numerous to mention.

The first American to receive a Presidential citation was James Powers. The first American pilot to bomb Berlin was William P. O'Brien.

The first American glider to land on D-day was piloted by Lt. Col. Michael Murphy. The first American to liberate Bataan was Lt. John F. Murphy. The first American mother to lose five sons was Mrs. Thomas P. Sullivan.

The fighting Irish have been the bulwark and strength of America.

So long as the world's records revere the narrative of Saint Patrick's mission; so long as the waters of the lovely Shannon shall gently flow to the sea; so long as the beautiful Lakes of Killarney shall reflect upon their bosoms the blue vaults of the heavens—so long will men and women of the Irish race love their ancient isle, revere their saint, cherish the shamrock, and uphold the principles of national freedom and individual liberty.

(Mr. PHILBIN asked and was given permission to revise and extend his remarks.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. VINSON, for 2 weeks, on account of important business.

To Mr. O'TOOLE (at the request of Mr. JOHN J. DELANEY), indefinitely, on account of illness.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 220. An act to authorize the Secretary of the Navy to convey to American Telephone & Telegraph Co. an easement for communication purposes in certain lands situated in Virginia and Maryland; and

S. 221. An act to authorize the Secretary of the Navy to grant and convey to the Virginia Electric & Power Co. a perpetual easement in two strips of land comprising portions of the Norfolk Navy Yard, Portsmouth, Va., and for other purposes.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 53 minutes p. m.) the House adjourned until tomorrow, March 18, 1947, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

(Tuesday, March 18, 1947)

The Subcommittee on Ship Construction and Operation and Maritime Labor of the Committee on Merchant Marine and Fisheries will meet in open hearings on Tuesday, March 18, 1947, at 10 o'clock a. m., to consider H. R. 672, "to authorize the transfer of the *Joseph Conrad* to the city of St. Petersburg, Fla., for museum purposes."

POST OFFICE AND CIVIL SERVICE COMMITTEE

(Tuesday, March 18, 1947)

Subcommittee To Investigate the Civil Service will meet at 10 a. m., Tuesday, March 18, room 213, House Office Build-

ing. Federal personnel directors will be heard relative to new civil-service rules and regulations.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(Tuesday, March 18, 1947)

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, March 18, 1947.

Business to be considered: Public hearing on H. R. 2109, a bill to amend the Civil Aeronautics Act of 1938; also public hearing on H. R. 2324, a bill to amend the Interstate Commerce Act.

(Thursday and Friday, March 20 and 21, 1947)

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m. Thursday and Friday, March 20 and 21, 1947.

Business to be considered: Public hearings on H. R. 873 and H. R. 1823, to create an Enemy Property Commission.

(Monday and Tuesday, March 24 and 25, 1947)

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m., Monday and Tuesday, March 24 and 25, 1947.

Business to be considered: Public hearing on H. R. 2220, a bill to establish a National Aviation Council. Each witness is requested to furnish the clerk of the committee 5 copies of his direct statement in advance of the hearing and 45 additional copies at the time of his appearance, pursuant to the Legislative Reorganization Act of 1946.

(Wednesday, March 26, 1947)

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Wednesday, March 26, 1947.

Business to be considered: Executive session in conference with officials of the Interior Department with respect to petroleum conservation, pipe lines, and oil compacts, pursuant to Legislative Reorganization Act of 1946.

(Thursday, March 27, 1947)

There will be a meeting of the Committee on Interstate and Foreign Commerce, at 10 o'clock a. m., Thursday, March 27, 1947.

Business to be considered: Executive session in conference with officials of the Food and Drug Administration pursuant to the Legislative Reorganization Act of 1946.

COMMITTEE OF FOREIGN AFFAIRS

(Tuesday, March 18, 1947)

The Committee on Foreign Affairs will meet in executive session at 10:30 a. m., Tuesday, March 18, 1947, for further consideration of House Joint Resolution 134, providing relief assistance to countries devastated by war.

COMMITTEE ON THE JUDICIARY

(Wednesday, March 19, 1947)

On Wednesday, March 19, 1947, the Subcommittee on Immigration and Naturalization of the Committee on the Judiciary will hold hearings on H. R. 245, H. R. 674, and H. R. 1115 to amend subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended. The hearings will be held in room 345, House Office Building, and will begin at 10 a. m.

On Wednesday, March 19, 1947, Subcommittee No. 2 of the Committee on the Judiciary will hold hearings on the bill, H. R. 515, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended (secs. 7 and 11). The hearings will be conducted in room 327, House Office Building, and will begin at 10 a. m.

On Wednesday, March 19, 1947, at 10:30 a. m., in room 346, Old House Office Building, Subcommittee No. 1 of the Committee on the Judiciary will begin hearings on the following measures with respect to holidays and celebrations:

H. R. 147 and H. R. 316, making the 14th day of August in each year a legal holiday, and for other purposes.

House Joint Resolution 1, House Joint Resolution 11, House Joint Resolution 23, House Joint Resolution 41, House Joint Resolution 63, House Joint Resolution 65, and Senate Joint Resolution 41, authorizing the President of the United States of America to proclaim October 11, 1947, General Pulaski's Memorial Day, for observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

House Joint Resolution 31, providing for the observance of October 11, 1947, as General Pulaski Memorial Day.

House Joint Resolution 12, requesting the President to declare November 10, 1947, a day for the observance of the creation of the United States Marine Corps.

House Joint Resolution 15, designating the week of February 14 in each year as National Heart Week.

House Joint Resolution 20, designating period from Thanksgiving Day to Christmas of each year for Nation-wide Bible reading.

House Joint Resolution 35, designating the second Sunday of October of each year as Grandmother's Day.

House Joint Resolution 46, authorizing the President of the United States to proclaim April 19 of each year Patriots' Day, for the commemoration of the events that took place on April 19, 1775.

House Joint Resolution 60, designating September 17 of each year as Constitution Day.

House Joint Resolution 64, designating February 11 of each year as Thomas Alva Edison Day.

House Joint Resolution 82, designating November 19, the anniversary of Lincoln's Gettysburg Address as Dedication Day.

House Joint Resolution 88, authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

House Joint Resolution 94, requesting the President to proclaim February 1 as National Freedom Day.

House Joint Resolution 100, designating the first Sunday in June of each year as Shut-In's Day.

H. R. 1051, designating the first Monday of October in each year as National Farm Day and declaring such day a legal public holiday.

H. R. 1193, declaring August 14 of each year a legal holiday.

H. R. 1931, declaring Good Friday in each year a legal holiday.

H. R. 2085, designating the fourth Saturday in September of each year as American Indian Day.

H. R. 2333, declaring the birthday of Abraham Lincoln to be a legal holiday.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

455. A letter from the Secretary of the Interior, transmitting a copy of an order canceling \$766.87 of unpaid irrigation operation and maintenance assessments against Indian-owned land under the Fort Hall irrigation project, Fort Hall Indian Reservation, Idaho; to the Committee on Public Lands.

456. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to amend section 1 of the act entitled "An act to prohibit the killing of wild birds and wild animals in the District of Columbia," approved June 30, 1906, to provide for the killing of starlings; to the Committee on the District of Columbia.

457. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to authorize the establishment of the District Educational Agency for Surplus Property in the Municipal Government of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

458. A letter from the Acting Secretary of the Navy, transmitting a report of the proposed transfer of three naval motor launches for use by the recreation department of the city of Oakland, Calif.; to the Committee on Armed Services.

459. A letter from the Acting Postmaster General, transmitting a draft of a proposed bill to authorize certain administrative expenses in the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

460. A letter from the Secretary of the Interior, Chairman of the Migratory Bird Conservation Commission, transmitting the report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1946; to the Committee on Agriculture.

461. A letter from the Comptroller General of the United States, transmitting a report on the audit of Tennessee Valley Authority for the fiscal year ended June 30, 1945 (H. Rept. No. 172); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 2535. A bill to amend the Reconstruction Finance Corporation Act; without amendment (Rept. No. 149). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. House Joint Resolution 146. Joint resolution to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes; with amendment (Rept. No. 150). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 21. Resolution to continue the Special Committee To Inves-

m. 418

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

Legislative Reports and Service Section
(For Department staff only)

Issued March 19, 1947
For actions of March 18, 1947
80th-1st, No. 51

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Forests and Forestry.....18	Property, surplus..... 1	War powers.....6,15
Insect control.....18	Regional authority.....29	Wool..... 8

HIGHLIGHTS: House passed bill to authorize RFC to purchase surplus property for re-sale to small business. House Rules Committee cleared measure to transfer sugar controls to USDA and continue them through Oct. 1947. Sen. Aiken advocated and discussed with Sen. Taft continuation of food-allocation powers and import-export controls. Rep. Blatnik urged additional school-lunch funds. Sen. Capper introduced bill to provide for farm loans through land bank system similar to FFMC loans. Rep. Cannon discussed "delay" on Legislative Budget.

HOUSE

1. SURPLUS PROPERTY. Passed as reported H. R. 2535, to authorize RFC to purchase surplus property for resale to small business, with priority immediately following Government agencies and veterans (pp. 2286-9).
2. SUGAR CONTROLS. The Rules Committee reported a resolution for consideration of H. J. Res. 146 (p. 2278). As reported, this measure continues sugar controls through Oct. 1947 (and through Mar. 1948 with respect to inventory controls); provides that the allocation or rationing authority shall not be exercised with respect to any product (other than allocation of such product imported into continental U. S.) unless a regulation providing for its allocation or rationing was in effect Feb. 18, 1947, and that price control authority may not be used unless price control with respect to the product was in effect on that date; transfers controls to this Department; provides that, in the case of price-control regulations and orders hereafter issued by this Department, the provisions of existing law relating to protest procedure and exclusive authority of the Emergency Court of Appeals to pass upon the validity of price-control regulations and orders, will not be applicable; denies further use of the licensing authority to secure enforcement of sugar-price control; requires the Secretary, consistent with maintenance of an effective national allocation program, provide for the needs of hardship cases, for the needs of new sugar users, and for the needs of those who have no base-period history; directs the Secretary, prior to the termination dates, to remove any or all controls with respect to any product when he determines that sugar supplies are sufficient to warrant such action; continues existing requirements until changed; provides for transfer of funds, property, and personnel to the Department.

3. LEGISLATIVE BUDGET. Rep. Cannon, Mo., discussed the Legislative Budget, stating "It is gratifying to note that our counsel and advice has evidently been accepted and approved and that the resolution has been pigeonholed pending developments permitting intelligent action on a national budget" (p. 2276).
4. BANKING. The Rules Committee reported a resolution for consideration of H. R. 2413, relating to direct purchases of Government obligations by Federal Reserve banks (p. 2278).
5. PERSONNEL. Rep. Celler, N. Y., recommended dismissal of any Communists in Government service (p. 2279).
Rep. Rees, Kans., took a similar position (pp. 2292-3).

SENATE

6. WAR POWERS; EXPORT-IMPORT CONTROLS. Sen. Aiken, Vt., spoke in favor of continuing the authority under title III of the Second War Powers Act for the domestic allocation of scarce commodities, including food, and import controls, and in favor of continuing export controls under the Export Control Act. He quoted a statement by Under Secretary Dodd on the necessity for these controls. Sen. Taft, Ohio, disagreed on the need for allocation controls and discussed the matter with Sen. Aiken. (pp. 2272-4.)
7. PERSONNEL. Sen. Byrd, Va., inserted the personnel report of the Joint Committee on Reduction of Nonessential Expenditures for Jan. 1947, which includes tables showing Federal employees by agencies (pp. 2246-8).
8. WOOL. Sen. Millikin, Colo., inserted Colo. Legislature memorials urging the extension of the present CCC purchase program to cover the entire 1947 domestic wool clip and the establishment of a long-range price-stabilization plan for domestic wool, and favoring an investigation of un-American activities in the Government (p. 2245).
9. SUBMARGINAL LANDS. Received a Mont. Legislature memorial favoring legislation to enable veterans to acquire, in economic units, agricultural lands owned by the U.S. under the submarginal programs (pp. 2244-5).
10. FARM PRICES. Received a Mont. Legislature memorial urging the extension of the Steagall amendment beyond Dec. 31, 1948 (p. 2245).
11. PUBLIC LANDS. Sen. Dworshak, Idaho, inserted an Idaho Legislature memorial favoring the retention of public lands in Idaho in their present ownership status (p. 2246).
12. NEWSPRINT SHORTAGE. The Small Business Committee announced that hearings on the newsprint shortage would be recessed until April 1 (p. D31).

BILLS INTRODUCED

13. FARM LOANS. S. 925, by Sen. Capper, Kans., to amend the Federal Farm Loan Act and the Federal Farm Mortgage Corporation Act to make available to farmers through the Federal land-bank system loans similar to those made by the Land Bank Commissioner on behalf of the Federal Farm Mortgage Corporation; to transfer the existing Land Bank Commissioner loan and related assets of the Federal Farm Mortgage Corporation to the Federal land banks; to provide for the Federal Farm Mortgage Corporation to repay its Government capital with interest; and to authorize the Federal land banks to establish a Federal land-bank system reserve

CONSIDERATION OF HOUSE JOINT RESOLUTION 146

MARCH 18, 1947.—Referred to the House Calendar and ordered to be printed

Mr. ALLEN of Illinois, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 149]

The Committee on Rules, having had under consideration House Resolution 149, reports the same to the House with the recommendation that the resolution do pass.



80TH CONGRESS²
1ST SESSION

H. RES. 149

[Report No. 163]

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 1947

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That upon the adoption of this resolution it
2 shall be in order to move that the House resolve itself into
3 the Committee of the Whole House on the State of the Union
4 for the consideration of H. J. Res. 146, to extend the powers
5 and authorities under certain statutes with respect to the
6 distribution and pricing of sugar, and for other purposes, and
7 all points of order against the said joint resolution are hereby
8 waived. That after general debate, which shall be confined
9 to the joint resolution and continue not to exceed three
10 hours, to be equally divided and controlled by the chairman
11 and ranking minority member of the Committee on Banking
12 and Currency, the joint resolution shall be read for amend-
13 ment under the five-minute rule. It shall be in order to
14 consider without the intervention of any point of order the

1 substitute amendment recommended by the Committee on
2 Banking and Currency now in the bill and such substitute for
3 the purpose of amendment shall be considered under the
4 five-minute rule as an original bill. At the conclusion of
5 such consideration, the Committee shall rise and report the
6 joint resolution to the House with such amendments as may
7 have been adopted and the previous question shall be con-
8 sidered as ordered on the joint resolution and the amend-
9 ments thereto to final passage without intervening motion
10 except one motion to recommit.

80TH CONGRESS
1ST SESSION

H. RES. 149

[Report No. 163]

RESOLUTION

Providing for the consideration of H. J. Res. 146, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

By **Mr. ALLEN** of Illinois

MARCH 18, 1947

Referred to the House Calendar and ordered to be
printed

His life was rich and full, and ended suddenly, quietly, calmly, in the way which every man covets for himself.

So be my passing.

My task accomplished and the long day done,
My wages taken and in my heart
Some late lark's singing,
Let me be gathered to the quiet West
The sundown, splendid and serene.

Mr. CANNON. Will the gentleman yield?

Mr. REEVES. I yield to my colleague from Missouri.

Mr. CANNON. It was my privilege to serve with Edgar Ellis in the Sixty-ninth and Seventy-first Congresses. Due to the fact that he had previously served intermittently in the House, he was looked upon as one of the elder statesmen and all members of the delegation consulted with him on all important matters touching the interests of the State and our section of the Mississippi Valley.

He was particularly interested in the development of our waterways and exercised in many instances a determining influence on legislation before the House relating to interstate commerce and the development of national resources.

He was one of the kindest men I have ever known and was always ready to step across party lines to do a favor or serve a mutual interest. His service in the Congress adds luster to the fame of his State and only his advancing age precluded his further participation in the activities of the forum which he so enjoyed and in which he attained such success. He passed on in the fullness of time—with the sun low on the horizon—and with the regard and affection of all those fortunate to be associated with him here on this floor.

PRINTING OF ADDITIONAL COPIES OF COMMUNISM IN ACTION

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 17) authorizing the printing of additional copies of House Document No. 754, Seventy-ninth Congress, entitled "Communism in Action," with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments, as follows:

Line 2, strike out "500" and insert "425."
Line 7, strike out "125" and insert "50."

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

OUTLAWING COMMUNISTS

Mr. RANKIN. Reserving the right to object, Mr. Speaker, I am not going to oppose these amendments, but instead of cutting down the number of copies to be printed it seems to me the number should have been increased.

All real Americans have come to recognize at last that communism is the enemy of American institutions.

Time and time again we have shown on this floor that the leaders of the Communist Party have announced that what they propose to do is to destroy this Government and set up a Soviet government in its place; and the head of

the Communist Party in this country, William Z. Foster, has said "that behind that government will stand the Red army to enforce the dictatorship of the proletariat."

Their members and former members—and remember, there are no former members except the ones who have been expelled from the Communist Party—are subjected to a terror that mankind has scarcely known in all history. If you doubt that, read Jan Valtin's *Out of the Night*. Just read the first few chapters.

In addition, they are out to destroy Christianity throughout the world and everything based on Christian principles.

They tell you they are for destroying the capitalist system. What do they mean by the capitalist system? They mean the right to own your home, your farm, your factory, or your store—the right to own private property. They mean to wipe out all of that and spread over America, and over every other country in the world, the horrible terrors that are now imposed upon the suffering people of Europe.

They prate about democracy. There is no more democracy in a Communist country today than there is in the penitentiary of Mississippi, New York, Texas, Connecticut, Georgia, or Iowa.

Mr. CASE of South Dakota. Does the gentleman think we should vote against concurrence in the Senate amendments?

Mr. RANKIN. No; I am not opposing the amendments.

On yesterday we had what someone has called a revival of righteousness in the Supreme Court. That august body decided that we had a right to knock every Communist off the Federal pay roll. I am in favor of beginning now and getting every one of them off the Federal pay roll without delay.

I saw in this morning's paper where a Red professor in Columbia University was attacking the Committee on Un-American Activities. His name is mentioned 22 times in the last report of the Dies committee.

They now invoke the Constitution and say it is unconstitutional to throw these enemies of America off the Federal pay roll. It reminds me of what Secretary Weeks told us once. He said that when the policemen in Boston went on strike, all the thugs went to breaking in and robbing stores, just taking the goods out by the armload. One of these looters undertook to take an armload of goods away from another one, and the other person instinctively yelled for the police.

So if these Reds, these Communists, these enemies of America who are poisoning the minds of your children through our educational institutions, and who are using the mails to spread their poison and hatred for America and everything based on constitutional government, if these enemies of America who are trying to undermine and destroy our economic system and enslave the American people now invoke the Constitution to protect them from justice at the hands of the American people, it is not going to work.

Mr. Speaker, I ask unanimous consent to include as part of my remarks a bill which I have introduced to outlaw com-

munist in America. It may need some minor amendments, but it is heading in the right direction.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(The bill is as follows:)

Be it enacted etc.—

LEGISLATIVE FINDING AND DECLARATION

SECTION 1. The Congress hereby finds and declares that—

(1) attempts by Communist sympathizers to secure election to public office in the United States;

(2) the teaching of Communist views in public or private schools, colleges, or universities in the United States; and

(3) the sending of Communist literature through the United States mails, are un-American activities which constitute a dangerous threat to our Government, to our democratic institutions, and to the freedom and security of the people of the United States, and the enactment of this act is a necessary exercise of legislative power to protect and maintain our form of Government and the American way of life.

DEFINITIONS

SEC. 2. As used in this act—

(1) The term "Communist Party" means the political party now known as the Communist Party of the United States of America, whether or not any change is hereafter made in such name.

(2) The term "publication" means any letter, writing, circular, post card, newspaper, periodical, pamphlet, book, or other publication.

PROHIBITION OF CERTAIN ACTS

SEC. 3. (a) It shall be unlawful for an individual to file as a candidate for, or otherwise to attempt to secure election to, any Federal or State elective office (1) as the candidate of the Communist Party, or (2) if such individual is a member of the Communist Party.

(b) It shall be unlawful, in any course of instruction or teaching in any public or private school, college, or university, to advocate, or to express or convey the impression of sympathy with or approval of, communism or Communist ideology.

(c) It shall be unlawful to send or attempt to send through the United States mails any publication the whole or any part of which advocates, or the whole or any part of which expresses or conveys the impression of sympathy with or approval of, communism or Communist ideology.

PENALTY FOR VIOLATIONS

SEC. 4. Whoever violates any provision of section 3 (a), or willfully violates any provision of section (3) (b) or (c), of this act, shall upon conviction thereof be punished by a fine of not more than \$10,000 or by imprisonment for not more than 10 years, or by both such fine and imprisonment.

Mr. LECOMPTE. Mr. Speaker, I wish to point out that all the amendments do is to reduce the number of copies available for the Senate, but do not change the number available for the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ELECTION TO STANDING COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 150), which I send to the desk.

The Clerk read the resolution, as follows:

Resolved, That JAMES C. DAVIS, of the State of Georgia, be, and he is hereby, elected a member of the standing committee of the House of Representatives on the District of Columbia.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDING FEDERAL RESERVE ACT

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 148, Rept. No. 162) which was referred to the House Calendar and ordered to be printed:

Resolved, That "immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2413) to amend the Federal Reserve Act, and for other purposes. That after general debate, which shall be confined to the bill and shall not exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit."

DISTRIBUTION AND PRICE OF SUGAR

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. J. Res. 146, Rept. No. 163), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 146, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, and all points of order against the said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the joint resolution shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Banking and Currency now in the bill and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and the amendments thereto to final passage without

intervening motion except one motion to recommit.

SUBCOMMITTEE ON FISCAL AFFAIRS OF COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that the members of the Subcommittee on Fiscal Affairs of the Committee on the District of Columbia be authorized to sit, notwithstanding the House may be in session.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SPECIAL ORDER GRANTED

Mr. PHILLIPS of California. Mr. Speaker, I ask unanimous consent that the special order I have for this afternoon may be canceled and that I may address the House for 30 minutes on Monday, following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORAN. Mr. Speaker, I ask unanimous consent that after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered, I may address the House for 1 hour today.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

EXTENSION OF REMARKS

Mr. O'HARA asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. ROHRBAUGH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Christian Science Monitor advocating Federal support for public education.

Mr. SUNDESTROM asked and was given permission to extend his remarks in the RECORD and include an address delivered by George E. Stringfellow on Thomas Alva Edison.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD and include an editorial from the Rochester Democrat and Chronicle.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD in three instances and to include excerpts in each.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mrs. BOLTON asked and was given permission to extend her remarks in the RECORD and include a letter which appeared in the public press.

PERMISSION TO ADDRESS THE HOUSE

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

TRANSSHIPMENT OF OUR WAR DEAD TO AMERICA

Mrs. BOLTON. Mr. Speaker, when this House authorized the transshipment to the United States of such of the bodies of our war dead as might be requested by their next of kin, I expressed on this floor the earnest hope that all possible effort be made to give a true picture to the bereaved families. I had just been in England and in France where I had seen the earnestness with which the graves registration units persisted in their identification efforts, and the tender reverence with which they performed their difficult and tragic task.

No country has gathered together all that was visible of its gallant dead as we have done. Nowhere in all the world is there such peace and beauty as in the American cemeteries, no matter where they are to be found.

Very recently the War Department sent out letters to the families of those whose loved ones lie in the consecrated soil of far-away lands asking what might be their desire in the matter. Soon after there was printed in many newspapers in this country a courageous and forthright letter written by Mrs. George S. Patton, Jr.

In it she says:

Will it comfort you to hear that your soldier is being shipped home in a box or an urn to be reburied? What will come home to you isn't what you love.

Will it ease your grief or make you happier to know that some young soldier, drafted to serve our country overseas, is digging up these poor bones?

Every good soldier I have ever known wanted to be buried where he fell. Mine did. Our dead have earned the right to rest in peace.

Mr. Speaker, that the House may have the full text of Mrs. Patton's letter, I have secured unanimous consent to include it in the extension of my remarks appearing in the Appendix of the RECORD.

REREFERENCE OF A BILL

Mr. ANDREWS of New York. Mr. Speaker, on the advice of the Parliamentarian, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of the bill (H. R. 2543) to repeal the Atomic Energy Act of 1946, which bill was introduced by the gentleman from Indiana [Mr. LANDIS], and that the same be referred to the Joint Committee on Atomic Energy.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. JOHNSON of California asked and was given permission to extend his remarks in the RECORD and include two letters.

Mr. COUDERT asked and was given permission to extend his remarks in the RECORD and include an article appearing in today's New York Times.

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the RECORD.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD.

DIGEST OF CONGRESSIONAL PROCEEDINGS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 21, 1947
For actions of March 20, 1947
80th-1st, No. 53

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HIGHLIGHTS: House agreed to consider sugar-control measure; to be debated today. House received President's \$9,000,000 appropriation estimate for foot-and-mouth disease and rinderpest; Rep. Taber introduced measure to carry out this recommendation. Sen. Wherry said OTC has informed him more sugar would be available for milk processors and that Secretary Anderson said milk would not be wasted for lack of sugar. Rep. Hays introduced bill making FHA sole disposal agency for "surplus agricultural property". Rep. Pace introduced bill to amend AAAAct regarding import controls.

HOUSE

- SUGAR CONTROLS.** Agreed to a resolution for consideration of H. J. Res. 146, to continue sugar-control authority and transfer it to this Department (pp. 2411-2). It is expected that this measure will be considered today (p. 2410).
- BANKING.** Passed, 308-55, without amendment H. R. 2413, amending the Federal Reserve Act to permit member banks, until July 1, 1950, to buy or sell Government-guaranteed securities in the open market or from the U. S. in an amount not to exceed \$5,000,000,000 at any one time (pp. 2406-10).
- EXPORT CONTROL.** Received the President's message recommending continuation of the Export Control Act until June 30, 1948 (S. Doc. 19); to Armed Services Committee (pp. 2393-4).
- SURPLUS PROPERTY.** Received from WAA a proposed bill to amend the Surplus Property Act of 1944 with reference to condemnation powers of the Administrator; to Expenditures Committee (p. 2420).
- ANIMAL-DISEASE APPROPRIATION.** Received from the President a supplemental appropriation estimate for control of foot-and-mouth disease and rinderpest, for this Department, fiscal year 1947, to remain available until expended, of \$9,000,000 (H. Doc. 173); to Appropriations Committee (p. 2420). (See Bills Introduced.)
- TAXATION.** Majority Leader Halleck announced that the tax bill may be ready for consideration Wed. and Thurs. of next week (p. 2412).

SENATE

7. FARM LABOR. The Capper amendment to H. R. 2102 (see Digest 52) would make the date by which FHA must liquidate labor camps conform to the date by which the farm-labor supply program would be required to be liquidated.
8. SUGAR. Sen. Wherry, Nebr., announced that the Office of Temporary Controls has informed him that effective April 1, 1947, milk processors will again be able to get sugar in quantities necessary to preserve their excess milk. He also stated that Secretary Anderson had made clear in his testimony before the Banking and Currency Committees that milk would not be wasted because of lack of sugar (pp. 2363-4).
9. FOREIGN AFFAIRS. Received from the President a treaty of friendship, commerce, and navigation between the U.S. and China (pp. 2355-62).
10. GRAIN BONUS. The report of the Agriculture and Forestry Committee on S. 669, to provide for payment of a 30cent per bushel bonus on wheat and corn produced and sold between Jan. 1, 1945, and Apr. 18, 1946 (see Digest 52), states:
 "According to information submitted to the committee, it is estimated 828,000,000 bushels of wheat and 431,000,000 bushels of corn were produced and sold between January 1, 1945, and April 18, 1946. Therefore, under the provisions of the bill an estimated maximum amount of \$377,700,000 would be necessary to meet all possible claims that might be submitted for payment."
11. CCC CONTINUATION. The report of the Agriculture and Forestry Committee on S. 350 to continue CCC as an agency of the U.S. until June 30, 1948 (see Digest 52), states:
 "It is the opinion of the committee that the continuation of the Commodity Credit Corporation as an agency of the United States is essential to provide the necessary machinery to carry out the commitments of the Congress with respect to the farm price support program. However, in order to prevent conflict with the provisions of the Government Corporation Control Act of 1945, the bill is amended to continue the Corporation as an agency of the United States to June 30, 1948, only. The Government Corporation Control Act of 1945 would require the reincorporation of the Commodity Credit Corporation by an act of Congress if it is to be continued as an agency of the Government beyond June 30, 1948."

BILLS INTRODUCED

12. SURPLUS AGRICULTURAL PROPERTY. H.R. 2658, by Rep. Hays, Ark., to designate the Farmers' Home Administration as the sole disposal agency for surplus agricultural property, to provide special priorities for the disposal of surplus agricultural property to former owners and to veterans who intend to live on farms and to engage in farming as their principal occupation. To Expenditures in the Executive Departments Committee. (p. 2421.)
13. IMPORT CONTROLS. H.R. 2666, by Rep. Pace, Ga., to amend section 22 of the AAA Act reenacted by the Agricultural Marketing Agreement Act, by adding thereto a new section. To Agriculture Committee. (p. 2421.)
14. FOOT-AND-MOUTH DISEASE; APPROPRIATIONS. H.J.Res. 154, by Rep. Taber, N.Y., making an appropriation for expenses incident to the control and eradication of foot-and-mouth disease and rinderpest. To Appropriations Committee. (p. 2421.)

defending this very measure which it condemned in 1935.

The proponents of the bill also say that the authority has not been misused; that it has supplied an urgent need; and further that it provides a means whereby the Treasury can borrow money without having to pay interest.

Mr. Eccles, Chairman of the Board of Governors of the Federal Reserve—the only witness to appear before the committee—requested that the limit of the amount of funds to be raised under the bill should be \$10,000,000,000 instead of five; he also wanted the legislation to be made permanent, as provided in the first Wolcott bill.

He stated that the purposes of the legislation were to provide the Treasury with the overdraft privilege, "a line of credit on which it could call at a moment's notice," to meet conditions where "the market situation was not satisfactory or favorable," or "for any purpose that was in the interest of the Government to use it," and to avoid paying interest on "idle balances" in the Treasury.

Is the New Deal asking for this power only for the purpose of meeting temporary shortages in the general fund? Not according to Mr. Eccles' statement, surely.

Why should not the Government pay interest on money it borrows, regardless of the purposes for which it may be used? "Oh," you say, "it is only for a day, or a week, or a month, that the Government wants to borrow money for nothing." If this be a perfectly innocent transaction, then why not authorize the Government to borrow money for 6 months, or a year, or 10 years, or 50 years, without having to pay any interest; and if for five billions, why not for ten, or fifty, or one hundred? Will some Member rise in his place and give an intelligent answer to these questions?

Mr. Eccles' statement to the committee that the power requested in the pending measure might be needed to meet a situation where the Government's credit was under a strain ought to be of the greatest interest to the Congress and the Nation.

To fully appreciate the significance of this request, we must examine the background of the thinking that brought it here. The policies of the Federal Reserve and the Treasury are the policies of the New Deal administration. It is notorious that the administrations in control of the Government since 1933 have consistently pursued a policy of inflation. The New Deal is based on Government printing-press money. Mr. Eccles has himself on numerous occasions given his blessing to this sort of money to finance Government deficits. If for no other reason than that the request for this power comes from those possessed of a fiat money complex it should be defeated.

Of course, anything that has even the possibility of restricting New Deal spending and controls is an anathema to the devotees of this cult. It strives with all its might to hold onto every vestige of power to control and to spend. It is highly allergic to everything that has

even the remotest possibility of checking this power.

Is not the cost of living going up fast enough? Do we want more inflation? It cannot be overemphasized that this bill has potential possibilities of enormously exacerbating this greatest of all social maladies.

In taking our position on this bill we Republicans should keep in mind that almost everyone of us voted for the \$6,000,000,000 budget cut. To be consistent we must vote against this bill. The \$6,000,000,000 cut is deflationary, while the Wolcott bill now before us is inflationary.

There is no reason why any Republican should vote for this bill; there is every reason why he or she should vote against it. The Treasury will be deprived of no facility whatever for carrying on its normal functions, if this request is denied. It can get what emergency funds it needs in the market, as it did from 1935 until 1942. There was no complaint about that arrangement. The cost to the Government to finance such emergency funds as it might need to overcome temporary general-fund shortages is minimal, but in any event proper.

The Republican Members should be reminded that the New Deal already has power under the Thomas amendment and the Gold Reserve Inflation Acts to issue printing press money to an amount exceeding \$5,000,000,000. As previously stated, Mr. Eccles indicated he wanted the pending bill to provide authority to print ten billions more instead of five. What the New Deal wants is unlimited power to issue greenbacks, like Stalin has, and it will get that power if Congress continues to yield to its importunities.

It was the political power to create fiat money—John Law money, Lord Keynes money—that plunged France into despair in the early part of the eighteenth century and into utter ruin at the end of that century. The Bolsheviks intentionally used this device to overthrow the Czar's regime. It was this power that had more to do with creating Hitlerism than anything else. Do we want it to happen in America?

I should like also to remind the Republican Members that this bill is strongly opposed by 46 members of the Economists National Committee on Monetary Policy. I know something of the background of most of these men and consider their judgment on the pending bill to be sound.

Republicans should vote as a block against this bill.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MONRONEY. Mr. Chairman, I am in favor of this bill. I think it is the logical and sensible way to handle the problem of meeting the Government's obligations at taxpaying time, and would be the same principle that every sensible

and successful businessman would use. It is a step away from monetizing the public debt rather than toward monetizing it.

What I would like to mention is the sad news that I have just learned that the Rules Committee is reporting to the House shortly a rule for the establishment of another special select committee.

This time we are going to establish a special select committee outside of the framework of the committee structure adopted by reorganization. Again I remind you that this committee structure was recommended by one of the most distinguished Members of the House, the gentleman from New York [Mr. WADSWORTH].

We are being asked to establish this as a special committee on wildlife and conservation; a new committee allegedly to protect the Nation's wildlife.

I think it is high time that the Congress look at what we are doing in tearing down the reorganized committee structure. We have a complete duplication in this case as we have had in most other cases.

But it is a little clearer here, because we have a subcommittee of the Committee on Merchant Marine and Fisheries already charged with this specific duty. I understand we are going to reestablish this old special committee that is a hang-over for 10 or 12 years past because a few people want it and a few members of the committee think it would be very nice to continue to work on it.

The proposed special committee has not any power to report legislation. It can only study as it has for 10 or 12 years past, and then issue documents and publications without the power to report or pass any legislation.

I think it is high time that we look at what we are doing. We are tearing down almost every week, by nibbling away, the structure of a very fine committee arrangement. This committee structure was the result of long study and careful consideration by the joint nonpartisan committee of the two Houses of Congress. It is high time we called a halt to this violation of the jurisdiction of our standing committees.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

[Mr. BUFFETT addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. WOLCOTT. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 1501 of the Second War Powers Act, 1942, as amended, section 14 (b) of the Federal Reserve Act, as amended (U. S. C., 1940 edition, Supp. V, title 12, sec. 355), is hereby amended by striking out the proviso in such section 14 (b) and inserting in lieu thereof the following: "Provided, That, notwithstanding any other provision of this act, (1) until July 1, 1950, any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities either in the open market or directly from or

to the United States; but all such purchases and sales shall be made in accordance with the provisions of section 12A of this Act and the aggregate amount of such obligations acquired directly from the United States which is held at any one time by the 12 Federal Reserve banks shall not exceed \$5,000,000,000; and (2) after June 30, 1950, any bonds, notes, or other obligations which are direct obligations of the United States or which are fully guaranteed by the United States as to principal and interest may be bought and sold without regard to maturities but only in the open market. The Board of Governors of the Federal Reserve System shall include in their annual report to Congress detailed information with respect to direct purchases and sales from or to the United States under the provisions of the preceding proviso."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VAN ZANDT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 2413) to amend the Federal Reserve Act, and for other purposes, pursuant to House Resolution 148, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. SMITH of Ohio) there were—ayes 51, noes 11.

Mr. SMITH of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken, and there were—yeas 308, nays 55, not voting 69, as follows:

[Roll No. 23]
YEAS—308

Abernethy	Bramblett	Cotton
Albert	Brooks	Courtney
Allen, Calif.	Brophy	Crosser
Allen, Ill.	Brown, Ga.	Cunningham
Allen, La.	Brown, Ohio	D'Alessandro
Almond	Bryson	Davis, Ga.
Anderson, Calif.	Buchanan	Davis, Tenn.
Andresen	Burke	Dawson, Utah
August H.	Burleson	Deane
Andrews, Ala.	Busbey	Delaney
Andrews, N. Y.	Camp	Devitt
Angell	Canfield	D'Ewart
Bakewell	Carson	Dingell
Banta	Case, N. J.	Dolliver
Barden	Case, S. Dak.	Domengeaux
Barrett	Chadwick	Donohue
Bates, Ky.	Chapman	Dorn
Bates, Mass.	Chelf	Doughton
Battle	Chenoweth	Douglas
Beall	Chipperfield	Drewry
Beckworth	Clark	Durham
Bell	Clason	Eaton
Bennett, Mich.	Coffin	Eberharter
Blackney	Cole, Kans.	Elliott
Blatnik	Cole, N. Y.	Ellsworth
Boggs, Del.	Colmer	Engel, Mich.
Boggs, La.	Combs	Evins
Bolton	Cooley	Fallon
Bonner	Cooper	Fellows
Bradley, Calif.	Corbett	Fenton

Fisher	Kennedy	Rains	Flannagan	Keogh	Phillips, Calif.
Fletcher	Kerr	Rayburn	Fuller	Kilday	Plumley
Fogarty	Kersten, Wis.	Redden	Gallagher	Klein	Powell
Folger	Kilburn	Reed, Ill.	Gerlach	Lusk	Rabin
Foote	King	Rees	Granger	Macy	Rayfiel
Forand	Kirwan	Rich	Gregory	Mahon	Scott,
Fulton	Knutson	Richards	Gwinn, N. Y.	Marcanonio	Hugh D. Jr.
Gamble	Kunkel	Riehlman	Hart	Mason	Sheppard
Gary	Landis	Riley	Hartley	Morrison	Simpson, Pa.
Gathings	Lane	Rivers	Heffernan	Norrell	Sundstrom
Gearhart	Lanham	Rizley	Hendricks	Norton	Taylor
Gifford	Larcade	Robertson	Hollifield	O'Toole	Vinson
Gillette	Latham	Rogers, Fla.	Hull	Patman	Whitten
Gillie	Lea	Rogers, Mass.	Jenkins, Pa.	Peterson	Worley
Goff	LeCompte	Rohrbough	Johnson, Calif.	Pfeifer	
Gordon	LeFevre	Rooney	Johnson, Tex.	Philbin	
Gore	Lesinski	Ross			
Gorski	Lodge	Russell			
Gossett	Love	Sabath			
Grant, Ala.	Lucas	Sadlak			
Grant, Ind.	Lyle	Sadowski			
Griffiths	Lynch	St. George			
Gross	McConnell	Sanborn			
Gwynne, Iowa	McCormack	Sarbacher			
Hagen	McCowan	Sasser			
Hale	McDonough	Scott, Hardie			
Hall,	McDowell	Seely-Brown			
Edwin Arthur	McMillan, S. C.	Shafer			
Hall,	McMillen, Ill.	Sikes			
Leonard W.	MacKinnon	Simpson, Ill.			
Halleck	Madden	Smathers			
Hand	Manasco	Smith, Kans.			
Hardy	Mansfield,	Smith, Maine			
Harless, Ariz.	Mont.	Smith, Va.			
Harness, Ind.	Mansfield, Tex.	Smith, Wis.			
Harris	Martin, Iowa	Snyder			
Harrison	Mathews	Somers			
Hayner	Meade, Ky.	Spence			
Hay	Meade, Md.	Springer			
Hebert	Morrow	Stanley			
Hedrick	Meyer	Stevenson			
Herter	Michener	Stigler			
Heseltun	Miller, Calif.	Stockman			
Hess	Miller, Conn.	Stratton			
Hill	Miller, Md.	Taber			
Hinshaw	Mills	Talle			
Hobbs	Mitchell	Teague			
Hoeven	Monroney	Thomas, N. J.			
Holmes	Morgan	Thomas, Tex.			
Hope	Morris	Thomason			
Horan	Morton	Tollefson			
Howell	Muhlenberg	Towe			
Huber	Mundt	Trimble			
Jackson, Calif.	Murdock	Twyman			
Jackson, Wash.	Murray, Tenn.	Vall			
Jarman	Nixon	Vursell			
Javits	Norblad	Wadsworth			
Jenison	Norman	Walter			
Jennings	O'Brien	Weichel			
Jensen	O'Konski	Welch			
Johnson, Ind.	Pace	West			
Johnson, Okla.	Passman	Wheeler			
Jones, Ala.	Patterson	Whittington			
Jones, N. C.	Peden	Wigglesworth			
Jones, Wash.	Phillips, Tenn.	Williams			
Jonkman	Pickett	Wilson, Ind.			
Judd	Ploesser	Wilson, Tex.			
Karsten, Mo.	Poage	Winstead			
Kean	Potts	Wolcott			
Kearney	Poulson	Wolverton			
Keating	Preston	Wood			
Kee	Price, Fla.	Woodruff			
Kefauver	Price, Ill.	Youngblood			
Kelley	Priest	Zimmerman			

NAYS—55

Andersen,	Engle, Calif.	O'Hara
H. Carl	Gavin	Owens
Arnold	Goodwin	Ramey
Bender	Graham	Rankin
Bennett, Mo.	Hoffman	Reed, N. Y.
Bishop	Jenkins, Ohio	Reeves
Buck	Johnson, Ill.	Robison
Buffett	Jones, Ohio	Rockwell
Butler	Kearns	Schwabe, Mo.
Byrnes, Wis.	Keefe	Schwabe, Okla.
Church	Lemke	Scoblick
Clevenger	Lewis	Scrivner
Clippinger	McGarvey	Short
Cole, Mo.	McGregor	Smith, Ohio
Crow	McMahon	Stefan
Curtis	Maloney	Tibbott
Dague	Miller, Nebr.	Van Zandt
Ellis	Murray, Wis.	Vorys
Elston	Nodar	

NOT VOTING—69

Arends	Bulwinkle	Cravens
Auchincloss	Byrne, N. Y.	Crawford
Bland	Cannon	Dawson, Ill.
Bloom	Carroll	Dirksen
Boykin	Celler	Dondero
Bradley, Mich.	Clements	Elsaesser
Brehm	Coudert	Feighan
Buckley	Cox	Fernandez

So the bill was passed.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Arends with Mr. Flannagan.
Mr. Sundstrom with Mr. Clements.
Mr. Crawford with Mr. Keogh.
Mr. Simpson of Pennsylvania with Mrs. Norton.
Mr. Macy with Mr. Felghan.
Mr. Auchincloss with Mr. Vinson.
Mr. Bradley of Michigan with Mr. Rayfiel.
Mr. Hartley with Mr. O'Toole.
Mr. Plumley with Mr. Dawson.
Mr. Hugh D. Scott, Jr., with Mr. Gregory.
Mr. Dirksen with Mr. Fernandez.
Mr. Fuller with Mr. Klein.
Mr. Gallagher with Mr. Pfeifer.
Mr. Brehm with Mr. Rabin.
Mr. Jenkins of Pennsylvania with Mr. Morrison.

Mr. Gwinn of New York with Mr. Cox.
Mr. Phillips of California with Mr. Hart.
Mr. Hull with Mr. Philbin.
Mr. Taylor with Mr. Marcanonio.
Mr. Mason with Mr. Kilday.
Mr. Dondero with Mr. Heffernan.

Mr. VAN ZANDT, Mr. CROW, Mr. REEVES, and Mr. RANKIN changed their vote from "yea" to "nay."

Mr. SHAFER and Mr. RICH changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DISTRIBUTION AND PRICING OF SUGAR

Mr. HALLECK. Mr. Speaker, I have asked for this time in order to announce to the Members of the House that we propose at this time to call up the rule on the so-called sugar bill. The bill was scheduled for consideration tomorrow, but in view of the fact that we have gotten along so well with the two bills that have been considered today it was thought that we could expedite the consideration and final determination of the measure tomorrow by proceeding with the adoption of the rule this evening.

I make this announcement only because this was not scheduled for today, but I am quite sure that no one could object to our proceeding with the adoption of the rule. I have discussed the matter with the minority leader, who expresses himself as in agreement with this procedure.

PERMISSION TO ADDRESS THE HOUSE

Mr. EATON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

INTERPARLIAMENTARY UNION

Mr. EATON. Mr. Speaker, Senator BARKLEY will hold a meeting of those interested in the Interparliamentary Union in his Capitol office, which is the old robing room of the Supreme Court in the Capitol Building, at 10 o'clock Saturday morning. All interested in the Interparliamentary Union are cordially invited to be present. I may say there will be no collection taken.

EXTENSION OF REMARKS

Mr. BENNETT of Missouri and Mr. HEBERT asked and were given permission to extend their remarks in the RECORD.

Mr. BLAND (at the request of Mr. JACKSON of Washington) was given permission to extend his remarks in the RECORD.

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD and include an editorial On Dissolving the Draft.

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter of congratulation on the seventy-fifth anniversary of the East Boston Branch of the Boston Public Library, the oldest branch library in the United States.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[The matter referred to appears in the Appendix.]

SPECIAL ORDER GRANTED

Mr. GAMBLE. Mr. Speaker, I ask unanimous consent that on Tuesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, the gentleman from New Jersey [Mr. AUCHINCLOSS] may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

DISTRIBUTION AND PRICING OF SUGAR

Mr. WADSWORTH. Mr. Speaker, I call up House Resolution 149 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 146, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, and all points of order against the said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 3 hours, to be equally divided and controlled by the

chairman and ranking minority member of the Committee on Banking and Currency, the joint resolution shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Banking and Currency now in the bill and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the joint resolution and the amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. WADSWORTH. Mr. Speaker, the adoption of this resolution would make in order the immediate consideration of House Joint Resolution 146, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes. Generally, this bill would transfer to the Secretary of Agriculture all controls on sugar. At present, the Government controls sugar through powers granted by four acts, all of which expire before July 1 of this year. The Emergency Price Control Act of 1942 and the Stabilization Act of 1942 both expire June 30, 1947. The provisions of title III of the Second War Powers Act of 1942 that relate to sugar, and title 14 of that act will expire the last day of this month; and section 6 of the act of July 2, 1940, will expire on June 30 of this year. House Joint Resolution 146 would extend the sugar controls provided in these acts until October 31, 1947, with the right to exercise inventory controls until March 31, 1948.

There is also a provision in House Joint Resolution 146 for allocation of sugar to new businesses with no base period. Under existing law, sugar is allocated on the basis of the amount used in 1941. This regulation prevents new businesses from entering fields where sugar is necessary to their operation. In addition to providing for the sugar needs of these new enterprises with no base-period history, this joint resolution also instructs the Secretary of Agriculture to allocate sugar in hardship cases, especially where milk or other food products would be wasted unless sugar is made available to preserve them.

In reporting this joint resolution, the Committee on Banking and Currency pointed out that there might be excessive price increases if sugar controls were allowed to expire at this time. This might cause a serious dislocation of our economy, and hardship for many of our citizens. The subject of sugar is very technical. That you may be fully informed on the provisions and the need for House Joint Resolution 146, the Committee on Rules has provided 3 hours in which the chairman, the ranking minority member, and other members of the Banking and Currency Committee can explain the measure, and answer questions on its provisions. Time is an important factor in regard to this joint resolution as some of the powers which it extends would otherwise lapse at the end of this month.

Therefore, the rule protects the measure from dilatory action by waiving points of order. Amendments may be offered under the 5-minute rule to the joint resolution as reported; any substitute amendment recommended by the Committee on Banking and Currency shall be considered as an original bill, and amendments to it may also be offered under the 5-minute rule.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I am indeed gratified by this bill, and I want to congratulate the Committee on Banking and Currency which unanimously reported it. I am pleased because some of the gentlemen who are members of this committee and others used to charge that all of the legislation enacted by the so-called New Deal is bad and vicious.

In view of the present approval of these laws originally passed under a Democratic administration in the interest of the public, I congratulate the Republican gentlemen of the committee that they have seen fit to approve and extend this legislation as has been explained by the gentleman from New York [Mr. WADSWORTH].

This bill will extend price control on sugar to October 31, of this year, and inventory control to March 31, 1948. The committee recognized what might happen to prices and to supplies of sugar if this action were not taken. I think it is legislation in the right direction and were it not for the fact that there are 3 hours' general debate provided for under the rule, I would read extracts from the committee's report showing the necessity for this legislation.

As it is I will only point out that provision is made for the needs of hardship cases, for the needs of new users, and for those who have no base-period history.

I am glad that these exemptions have been made. Otherwise it might have been impossible to obtain sugar needed for home consumption.

Inevitably, the large sugar users would have taken advantage, as they always do, of the housewives. Under this bill housewives and home users will be protected, not only in obtaining sugar actually needed, but also in price. If this legislation were not adopted I fear that the price would again be boosted, as many others have been boosted by elimination of the OPA. Of course, this bill wipes out the last of OPA and transfers power and jurisdiction to the Secretary of Agriculture, who is a friend of agriculture and of consumers. I have faith that in his hands the best interests of our country will be protected and safeguarded.

WITHOUT OPA, PRICES WOULD BE FAR HIGHER

Price control under the Office of Price Administration did not function effectively in the last year. It was starved for funds, then emasculated last summer, and now murdered outright by cutting off all appropriations.

Nevertheless, all fair-minded men, and even some Republicans, concede that without its operation inflation would be much greater and prices would have

soared much higher. In fact, ever since you came into power, the average cost of living has gone up and, especially, in the last 8½ months, it has risen nearly 60 percent. Consequently, the wage-earner's dollar buys at best one-half of what it did before your determination to destroy this legislation which protected the American consumer.

While in this bill you extend the distribution and price of sugar, you have failed to act upon an extension for housing and rent control. The propaganda by real estate operators and builders has tended to hide the rising cost of construction which has resulted in reducing the building of much needed housing for our veterans and many homeless families.

(Mr. SABATH asked and was granted permission to revise and extend his remarks.)

Mr. WADSWORTH. Mr. Speaker, I have no further requests for time. I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROGRAM FOR NEXT WEEK

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas? There was no objection.

Mr. RAYBURN. Mr. Speaker, will the gentleman from Indiana [Mr. HALLECK] tell us what the program will be for next week? If he can do so now, it would be a great accommodation to many Members. If not, tomorrow will be satisfactory.

Mr. HALLECK. I am not prepared to announce the full program for next week until tomorrow, but I can say that subject to action by the Ways and Means Committee tomorrow and subsequent action by the Rules Committee, it is our hope that the tax bill will be ready for consideration on the floor Wednesday and Thursday of next week.

EXTENSION OF REMARKS

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record regarding a bill I have introduced today.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PRESERVATION OF ROADLESS AREA IN SUPERIOR NATIONAL FOREST

Mr. BLATNIK. Mr. Speaker, I have today introduced a bill which has as its purpose the preservation of the roadless area of the Superior National Forest in northern Minnesota as a permanent national heritage for ourselves and future generations. The bill authorizes the Secretary of Agriculture, acting through the United States Forest Service, to acquire private lands located within the region for the purpose of consolidating and preserving the remaining border natural forest and lake area as a primi-

tive region for use as a wilderness canoe country.

The Minnesota border territory, famous throughout the country for its interlacing network of scenic canoe routes, is one of the last sizable regions in the United States where the natural attractions of lakes, streams, and forests still remain in a more or less primitive condition. This region is centrally located in the continent and accessible to all who seek rest and recreation in the wilderness. It lies in the Rainy Lake watershed, which embraces boundary lakes and forests in Cook, Lake, and St. Louis Counties in northern Minnesota.

The idea of preserving the natural features of this region for the perpetual use and enjoyment of the public has been the dream of conservationists and sportsmen for over 10 years. The project has the endorsement of the Izaak Walton League of America, the Quetico-Superior Council, the American Legion, the Minnesota Conservation Commission, the Minnesota Arrowhead Association, the regional council of the Boy Scouts of America, the county boards of Cook, Lake, and St. Louis Counties, as well as the fullest support of virtually every sportsman and conservation organization in the United States.

This program for consolidation and protection of the roadless areas is supported not only by the conservationists interested in preserving the natural features of the region for the public benefit, but by the great majority of the resort and business interests of Minnesota, who realize that the border wilderness country is their chief drawing card, and that if it is broken up by private developments it will be like killing the goose that lays the golden egg. Seldom has a project of this kind had such widespread and universal support and so little opposition.

Proponents of the project hope to see the establishment of a similar roadless area by the Government of Canada in the near future, thus merging the proposed Superior National Forest roadless area with the Quetico Park in Ontario into one great wilderness area. This would mean the conservation of a 10,000,000-acre roadless area as a great international forest for the enjoyment of both Canadians and Americans.

It has been proposed that this region, the Quetico-Superior Park, would stand as a fitting memorial to the servicemen of both countries who fought as comrades in both World War I and World War II. This suggestion has the approval of both the American Legion and the Canadian Legion.

Recent developments in northern Minnesota make it mandatory for the Congress to act at once if the dream of the roadless area is to be realized. The project is endangered by the presence of a large number of private land tracts, including many lake-shore sites which are legally available for improvement and use as resorts, summer cabins, and other private purposes. Formerly the absence of roads in the area prevented such developments, but with the advent of air transport, resorts and summer cabins have been springing up like mushrooms

in the roadless areas. Unless action is taken in the near future to preserve the region from commercial exploitation through Government acquisition of the unimproved lake-shore sites, the cost of acquisition will become so prohibitive as to end all hope of preserving or restoring the wilderness character of the territory. Thus it becomes imperative for the Eightieth Congress to proceed without delay to acquire the unimproved private holdings so as to prevent further development.

The bill which I have introduced today to speed the establishment of the roadless area has the approval of the United States Forest Service, the Minnesota Conservation Commission, and a committee representing the three Minnesota counties affected by the project, namely, St. Louis, Cook and Lake Counties. This bill contains three major provisions:

First, it authorizes the Secretary of Agriculture, acting through the United States Forest Service, to acquire the undeveloped private land in the interior of the present roadless areas of the Superior National Forest, while reserving the outer fringe of the region for private development. Under the bill, resorts and other improved real estate in contiguous tracts not exceeding 500 acres and bearing permanent structures suitable for human occupancy at the time of the passage of the act are exempt from condemnation. The bill calls for annual appropriations out of a total authorization of \$500,000 for the purchase of condemned land.

Second, the bill authorizes the exchange of private land holdings within the roadless areas for Government-owned land located just outside the proposed roadless areas which can be used for resort development. Some of the owners of developed properties have already expressed willingness to sell or trade such properties to the Government.

And third, the bill provides for the payment of adequate compensation by the Federal Government to the counties in lieu of taxes lost on Government-owned land at an annual rate of 12 cents per acre.

The purpose of this bill, Mr. Speaker, is to preserve the wilderness character of this region and its pristine resources of lakes, streams, forests and wildlife for the benefit of all Americans. It is not a partisan proposal, but is one which will receive the most favorable reaction from those of both political parties and from all men and women who love the great outdoors. It is in a spirit of nonpartisanship that I submit this bill for the consideration of the Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEARNS, for March 21 and March 22, on account of labor investigation.

To Mr. HUBER, indefinitely, on account of investigation of Veterans' Administration hospital.

To Mr. BLAND (at the request of Mr. DREWRY), indefinitely, on account of illness.

To Mr. MACKINNON, March 21, 1947, on account of official business.

by the Commissioner of Immigration and Naturalization Service under the authority vested in the Attorney General, together with a statement of the reason for such suspension (with an accompanying report); to the Committee on the Judiciary.

INTERNATIONAL BILL OF RIGHTS

Mr. MYERS. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the Philadelphia Archdiocesan Holy Name Union, on the 2d instant.

There being no objection, the resolution was received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas the United Nations Human Rights Commission is currently engaged in preparing the first draft of an international bill of rights; and

Whereas this is one of the most important single tasks in modern times since its formulation and implementation are basic prerequisites to a just and lasting peace; and

Whereas newspaper reports of the Commissions' meetings indicate the representative of one nation as claiming that only a small layer separates man from the animal and that the difference may simply be that man can think of someone else as well as of himself; and

Whereas other newspaper reports indicate that the representative of another nation claims that the bills of human rights presented for study are wrong because the emphasis is on the rights of individuals whereas the new trends in the world make it impossible to consider individuals except collectively; and

Whereas still other newspaper reports indicate that the representative of another nation urges the deletion of all the following concepts: "the right of life, of personal liberty; the prohibition of slavery and compulsory labor; the right to petition national governments and the United Nations; nonretroactivity of penal laws; right of property; prohibition of unlawful expropriation; freedom of movement and freedom to resist oppression"; and

Whereas these sentiments are in direct conflict with the natural law, the American Declaration of Independence, and the preamble of the United Nations Charter: Be it therefore

Resolved, That we, the delegates of the Philadelphia Archdiocesan Holy Name Union, regularly assembled at this March 2, 1947, quarterly meeting, hereby respectfully petition the Chief Executive of the United States, President Harry S. Truman, and the several Senators and congressional Representatives of the districts in which we live, to duly instruct the United States representative on the Human Rights Commission to insist that a bill of rights be drafted that takes complete cognizance of at least the following basic truths;

I. That the dignity of man, created in the image of God, obligates him to live in accordance with law imposed by God. Consequently, he is endowed as an individual and as a member of society with rights which are inalienable;

II. That the family is the natural and fundamental group unit of society and is endowed by the Creator with inalienable rights antecedent to all positive law. The family does not exist for the state, but on the other hand is not independent;

III. That political authority is entrusted by God to nations, which are endowed with rights and charged with the obligation of establishing justice, of promoting the general welfare of their citizens and of cooper-

ating with other nations in furthering the universal welfare of mankind; and

IV. That the human family constitutes an organic unity or a world society and the states of the world have the right and duty to associate and to organize in international community for their common welfare.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 20, 1947, he presented to the President of the United States the enrolled bill (S. 276) to provide for payment and settlement of mileage and other travel allowance accounts of military personnel.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting the nomination of James M. Alsop, of Honolulu, T. H., to be collector of internal revenue for the district of Hawaii, and withdrawing the nomination of Herbert E. Arnold, of Texas, to be collector of internal revenue for the second district of Texas, which nomination was referred to the Committee on Finance.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUSHFIELD:

S. 948. A bill authorizing the issuance of a patent in fee to Joel Wade Tyndall;

S. 949. A bill to provide for the enforcement of the penal laws of the States on Indian reservations, and for other purposes; and

S. 950. A bill authorizing the issuance of a patent in fee to Mrs. Annie Eunice Arm Spotted Elk; to the Committee on Public Lands.

By Mr. WATKINS:

S. 951. A bill for the relief of Mrs. Yoshiye Hayashi Kurisaki; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 952. A bill authorizing an appropriation for the construction, extension, and improvement of a State tuberculosis sanatorium at Galen, Mont., to provide facilities for the treatment of tuberculous Indians in Montana; to the Committee on Public Lands.

By Mr. FULBRIGHT:

S. 953. A bill to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended; to the Committee on Labor and Public Welfare.

By Mr. WILEY (by request):

S. 954. A bill for the relief of James H. Underwood; to the Committee on the Judiciary.

(Mr. LANGER introduced Senate bill 955, for the relief of Toymus Ali, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. MAGNUSON:

S. 956. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, so as to extend the benefits of titles II, III, IV, and V of such act to members of the American Field Service; to the Committee on Finance.

S. 957. A bill for the relief of Col. William J. Kennard; and

S. 958. A bill to authorize the admission into the United States of persons of races indigenous to Siam, and to make them racially eligible for naturalization; to the Committee on the Judiciary.

TOYMUS ALI

Mr. LANGER. Mr. President, I ask unanimous consent to introduce, for appropriate reference, a bill for the relief of Toymus Ali, an Indian. I want particularly to call to the attention of the correspondents of the New York Daily News and the Times-Herald that I am introducing another bill for the relief of an Indian. This man has lived in the United States for nearly 20 years and he has had a clean record. All of a sudden the Department of Justice is trying to deport him. I am introducing this bill at the request of good American citizens who believe it is unjust that a man who has made a fine record all these years should, all of a sudden, be picked up by the nape of the neck and deported.

There being no objection, the bill (S. 955) for the relief of Toymus Ali, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on the Judiciary.

EXTENSION OF CERTAIN POWERS OF THE PRESIDENT UNDER SECOND WAR POWERS ACT—AMENDMENT

Mr. YOUNG (for himself and Mr. LANGER) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 931) to extend certain powers of the President under title III of the Second War Powers Act, which was referred to the Committee on the Judiciary and ordered to be printed.

THEODORE ROOSEVELT NATIONAL PARK, N. DAK.—AMENDMENT

Mr. MORSE (for himself and Mr. CORDON) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 731) to establish the Theodore Roosevelt National Park; to erect a monument in memory of Theodore Roosevelt in the village of Medora, N. Dak.; and for other purposes, which was ordered to lie on the table and to be printed.

SUGAR FOR MILK PROCESSORS

Mr. WHERRY. Mr. President, for the benefit of the Senate, I wish to make a brief announcement relative to sugar. Many Senators have called the Small Business Committee and have called my office, on behalf of plants that condense milk, in an effort to obtain sugar for processing milk.

The Office of Temporary Controls has informed me that effective April 1, 1947—assuming that the authority for sugar rationing will be continued by the Congress after its present expiration on March 31—milk processors will again be able to get sugar in quantities necessary to preserve their excess milk.

The Senate Small Business Committee has received many complaints from milk processors that they were unable to process their excess milk since the change in the rationing regulations, effective last November.

This present action of the rationing officials places the use of sugar in preserving milk on what is termed a "provisional allotment basis," as it had been prior to November 1, 1946. On that date the Office of Price Administration changed the regulations, and placed the

use of sugar in preserving milk on an historical-use basis. In other words, the measure of how much sugar could be obtained by a bulk sweetened condensed milk processor was made dependent upon what had been used previously by a particular user, and not what his needs were.

Since November 1, 1946—and more particularly in the last month, when the flush milk season began—the Senate Small Business Committee has had countless complaints from every section of the United States that milk processors have been forced to pour milk down the sewer because of the lack of sugar with which to preserve it.

In addition to these complaints, the situation was further brought to the attention of the Senate Small Business Committee by the institution of the suit of the Moberly Milk Products Co., of Moberly, Mo., which sought to set aside the action of the Office of Price Administration in basing sugar usage for preservation of milk on a historical-use basis.

On March 12 an executive conference of the Senate Small Business Committee was held, at which various rationing officials of the Office of Price Administration were present. This situation was forcibly pointed out by the committee members present. At the meeting it was generally agreed that sugar should be made available to preserve milk.

The position of the Secretary of Agriculture, which he made clear in testimony before both the House and Senate Banking and Currency Committees, now considering the extension of sugar rationing, that milk would not be wasted because of lack of sugar, was brought to the attention of all those attending this conference.

In the light of the announcement made by the Office of Price Administration, which I understand had the full concurrence of the Department of Agriculture, I feel it to be my duty, as chairman of the Senate Small Business Committee, to report to the Senate that favorable outcome of our conference with the rationing officials, which not only means the saving of vast quantities of milk for human consumption, but also the favorable culmination of a strong protest by the committee on behalf of small business.

PROPOSED GREEK AND TURKISH LOANS— QUESTIONS AND STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, yesterday, in accordance with the invitation of the chairman of the Senate Foreign Relations Committee, the Senator from Michigan [Mr. VANDENBERG], I submitted to him for transmission to the State Department officials for answer a list of questions relating to the proposed Greek and Turkish loans.

I ask that there be printed in the RECORD at this point the text of my letter to the Senator from Michigan, and a statement which I have issued in connection with question 9 which makes inquiry concerning the setting up of a quid pro quo basis for United States foreign policy.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

MARCH 19, 1947.

Hon. ARTHUR VANDENBERG,
Chairman, Senate Foreign Relations
Committee, United States Senate,
Washington, D. C.

MY DEAR SENATOR: I am presenting herewith a list of questions for submittal to the State Department in connection with the proposed Greek and Turkish loans.

1. In the opinion of the State Department, what is the basic justification for the steps that are contemplated under the Greek agreement? Are they in the opinion of the State Department basically preventative steps against war, and if so, how so?

2. In view of the critical situation in the Near East, cannot pressure be brought to bear on the representatives of the various Governments in the United Nations to bring about the more immediate creation of an international police force under the UN's jurisdiction and the handling by the Council of situations like that presented in Greece?

3. Are there any other contemplated "surprise" expenditures which the Congress will be asked to authorize within the next year or so along the lines of the Greek and Turkish loans?

4. Has there been any understanding, oral or otherwise, with the Greeks that we would furnish other than advisory aid in military matters if it became necessary; that is, that we would actually use troops if circumstances seemed to require it?

5. Have we made any understanding, oral or otherwise, that we would lend economic, military or other assistance to any Near Eastern country other than Greece and Turkey, such as Palestine, Iraq, Trans-Jordan or nearby lands?

6. In view of the fact that Britain has stated that she could no longer maintain a military force in Greece, has she made similar statements in relation to any other near eastern territory?

7. Just what are the costs of British maintenance of military establishments in the Near Eastern countries, such as Iraq, Trans-Jordan, and Palestine?

8. If harmony could be worked out on a basis mutually satisfactory to the Arabs and the Jews in Palestine, would Britain then be willing to use some of the forces she is using in Palestine to station in Greece?

9. Is there any thought in the minds of our State Department that there should be a quid pro quo if the American taxpayer is to assume the burden of protecting not only American interests but British, French, and Dutch interests in the Near East? Is there any understanding that it's not a Santa Claus job entirely? In our loan to Turkey, are there not some vital materials that she could pay us with?

Sincerely yours,

ALEXANDER WILEY.

THE NEED FOR QUID PRO QUO IN UNITED STATES FOREIGN POLICY

I am determined that the answer to question No. 9 shall be that the United States shall, indeed, receive a quid pro quo for the untold billions of dollars which we will probably spend as we embark on the President's proposed program. The Lend Lease Administration is right now terminating, after spending some \$50,000,000,000, most of which admittedly was tremendously important in winning the war.

However, there is almost little or nothing to show for these fifty billions spent by the American taxpayer in the way of permanent economic concessions, strategic rights, or other advantages which any other nation in our position would have demanded and secured.

When the original lend-lease bill was being considered I stated that our aid program

should be secured by foreign collateral, and that there should be a reciprocity in United States bargaining rather than the United States always paying a one-way roll.

There is no question of our "taking blood from stones now" wringing materials from so poverty-stricken a nation as Greece, but with other countries and indeed with Greece there is no reason why we cannot secure certain strategic air rights, sea rights, and further trade agreements such as any other nation in our position would. Our critics may scoff "Uncle Shylock" at this proposal, but it is time someone looked out for the American taxpayer. Our securing concessions is not a major goal of this program, of course.

The combating of communism and prevention of war would undoubtedly be our primary goals. Nevertheless there is no reason why we should not have subsidiary goals if we are to expend the resources of the American people.

NOMINATION OF DAVID E. LILIENTHAL AND BUSINESS OPERATIONS IN OAK RIDGE AREA

Mr. McKELLAR. Mr. President, I ask unanimous consent to have inserted in the RECORD a second letter from Mr. W. E. Badgett, of Knoxville, Tenn., relative to the Oak Ridge situation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KNOXVILLE, TENN., March 19, 1947.

Hon. KENNETH D. McKELLAR,
United States Senator,
Senate Office Building.

MY DEAR SENATOR McKELLAR: I should like to pass on to you certain information which may be of interest and help to you in showing to the Senate on the floor the utter disqualification of Lilienthal to hold a position as Chairman of the Atomic Energy Commission.

This information came to me through a client, Mr. Walter S. Crawford, who has been operating a business at Oak Ridge, Tenn., for some time. There are many others who are in the same status as Mr. Crawford.

When the Oak Ridge project was under the War Department it was the policy for the Government to lease certain buildings and the land connected therewith to private individuals for the carrying on of business which, in any other area of our great country, would be carried on by private enterprise. Recently, however, under Lilienthal's direction, the policy has been formulated, according to my information, that the Government will take over the functions and businesses previously operated on the Oak Ridge area and will operate them as a Government project. In my opinion such high-handedness, on the part of Mr. Lilienthal only goes to bear out that which you have been trying so valiantly and courageously to show to other members of the United States Senate—that Lilienthal's primary purpose in life is to destroy private enterprise and lead us into a Marxian system. The Atomic Energy Act contains no provision authorizing the Atomic Energy Commission to take over and operate, on the Oak Ridge area, functions which in ordinary life belong to private enterprise, and there is utterly no reason upon which Mr. Lilienthal may justify his action in thus destroying private enterprise on the area. His overt acts in this regard should stand as a warning signal to every member of the United States Senate of Mr. Lilienthal's true intentions with respect to the Tennessee Valley Area and his actions should be possibly be confirmed as Chairman of the Atomic Energy Commission. Anyone may state in beautiful language his precepts of democracy, but, as you and I know, as attorneys, the best way

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 24, 1947
For actions of March 21, 1947
80th-1st, No. 54

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HIGHLIGHTS: House passed measure to continue sugar controls and transfer them to this Department. House passed \$9,000,000 appropriation for combatting foot-and-mouth disease. House committee reported Labor-Federal Security appropriation bill. Senate committee reported bill to provide for domestic rubber industry. Sen. Young urged return of boxcars to midwest to ease load on grain elevators. Sen. Thomas (Okla.) introduced and discussed bill to establish national policy for public electric power projects.

HOUSE

1. SUGAR CONTROLS. Passed, 286-54, with amendments H. J. Res. 146, to continue sugar controls and transfer them to this Department (pp. 2472-95). (For provisions, see Digest 51.) Agreed to an amendment by Chairman Rees of the Civil Service Committee to provide that nothing in the measure shall be construed to violate the Veterans' Preference Act of 1944 (regarding personnel transfers) (p. 2494).
2. ANIMAL DISEASE. Passed without amendment H. J. Res. 154, to appropriate to this Department \$9,000,000 for control and eradication of foot-and-mouth disease and rinderpest under Public Law 8, 80th Cong., and the act of 1884 as amended, to be available for the purposes of Public Law 8 until June 30, 1948 (pp. 2471-2). This measure had been reported earlier in the day by the Appropriations Committee (H. Rept. 179)(p. 2501).
3. LABOR-FEDERAL SECURITY APPROPRIATION BILL. The Appropriations Committee reported this bill, H. R. 2700 (H. Rept. 178)(p. 2471). It is expected that the bill will be debated Mon. and Tues.

The bill includes items for Food and Drug Administration, Office of Education (including \$2,480,000 for further endowment of agricultural and mechanical colleges), Public Health Service, National Labor Relations Board (with prohibition against use of these funds to assist in organizing farm labor, etc.), Bureau of Labor Statistics, U.S. Employment Service, and Wage and Hour Division.

The committee report includes the following statements:

Personnel reductions. "Wherever reductions in appropriations require reductions in personnel, it should be stated here that such reductions in personnel must be undertaken at the earliest possible date. If it is necessary to dis-

mis any such persons after June 30, 1947, the departments and agencies concerned must understand that terminal leave costs attendant to such dismissals will be borne by the 1948 appropriation. Dismissals prior to June 30, 1947, will require expenditure of 1947 appropriations for terminal leave. No deficiency estimate for such purpose for either 1947 or 1948 will be entertained."

Fees and charges. Regarding certification services of Food and Drug Administration: "The committee believes that the Federal Security Administrator should give continuous study to the question of requiring private industry to reimburse the Government in full or partially, as particular circumstances may dictate, for other services of this general character which come under his jurisdiction. Particularly in light of the condition of the Federal Treasury and the tremendous public debt, and the demands of the American people that the situation be remedied, the committee is in full accord with the President's suggestion that more services presently on a subsidy basis be converted to a self-supporting basis."

Federal aid. "The Congress for a number of years has been providing funds to make grants to States to match the funds of the States in carrying on a number of worth-while programs, including the construction of highways, operation of vocational departments in schools, public health programs, old-age pensions, and others. Through the stimulus of these Federal appropriations the States have inaugurated, and expended large sums of their own money, in carrying on the activities provided for. Many of them never would have been undertaken except for the Federal assistance. The committee believes that it is now time for a complete review of the various grant-in-aid programs to determine whether or not it is possible for the Federal Government to withdraw or at least measurably reduce its contributions and leave the burden in future years to the States. In most of the grant-in-aid programs the Federal Government has invaded fields in which it could not under the Constitution function directly--fields of endeavor that are essentially and fundamentally within the sovereign powers of the State. The finances of practically all States in the Union are in far better condition than the fiscal affairs of the Federal Government. Every possible effort must be made to bring the Federal Budget in balance and the transfer back to the States of the cost of many of the activities now partially borne by the Federal Government would be a great assistance in achieving that objective."

4. ECONOMY. Reps. Rich (Pa.) and Hoffman (Mich.) spoke in favor of economy in Federal expenditures (pp. 2465, 2467).
5. HEALTH. Both Houses received from the President a message recommending U.S. participation in the World Health Organization (pp. 2467, 2423).
6. PERSONNEL. Received from the Civil Service Commission a proposed bill to amend the Terminal Leave Act of 1944. To Post Office and Civil Service Committee. (p. 2501.)
7. FOREIGN RELIEF. Received a Red Cross Report on foreign war relief since July 1, 1940. To Foreign Affairs Committee. (p. 2501.)
8. RECORDS. The Post Office and Civil Service Committee submitted a supplemental report on H.R. 1350, regarding disposition of Government records (H.Rept. 44, pt. 2) (p. 2501).
9. ADJOURNED until Mon., Mar. 24 (p. 2501).

of any person, in any position, at any time. I, therefore, hope this question may be concluded today by the acceptance of the amendments, and that this question may be submitted to the State legislatures for approval or rejection, as they may determine.

Mr. SABATH. Mr. Speaker, the splendid argument made by the gentleman from Massachusetts [Mr. McCORMACK] was most convincing and this legislation, I fear, may come to plague us if the legislatures of two-thirds of the States should approve, which I hope they will not. It has been stated that while favorable action has been taken by Congress it does not mean that the various State legislatures would follow the action of Congress. However, I venture to say that in many of the States it will be felt that in view that Congress has acted that the legislatures should not deny favorable action on the amendment. Personally I would have preferred that instead of leaving the matter to the legislatures that we would have provided for conventions so that the real viewpoint of the people of the respective States would control.

I cannot quite understand why the majority feel the need of changing the Constitution which has stood us so well for 160 years. It is my opinion that only an extraordinary man, one of great ability, and one who had the interest of the country at heart, could be urged to run and be reelected to a third and fourth Presidential term, as was President Franklin D. Roosevelt. It is certain that a weak man who did not enjoy the confidence of the people could not be reelected to a third or fourth term. Consequently, I voted against the original bill and shall vote against the adoption of the conference report.

Mr. MICHENER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The question was taken; and on a division (demanded by Mr. THOMASON) there were—ayes 81, noes 29.

Mr. FORAND. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. FORAND. Mr. Speaker, I withdraw the point of order.

So (two-thirds having voted in favor thereof) the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that all Members who so desire may be permitted to extend their own remarks in the RECORD preceding the vote on the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEPARTMENT OF LABOR AND THE FEDERAL SECURITY AGENCY APPROPRIATION BILL, 1948

Mr. KEEFE, from the Committee on Appropriations, reported the bill (H. R.

2700, Rept. No. 178) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1948, and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the State of the Union and ordered printed.

Mr. RAYBURN reserved all points of order on the bill.

CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE AND RINDERPEST

Mr. TABER. Mr. Speaker, I call up House Joint Resolution 154, making appropriations for expenses incident to the control and eradication of the foot-and-mouth disease and rinderpest, and ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for expenses necessary to enable the Secretary of Agriculture to control and eradicate foot-and-mouth disease and rinderpest as authorized by the act of February 28, 1947 (Public Law 8), and the act of May 29, 1884, as amended by the act of September 21, 1944 (21 U. S. C. 114a), fiscal year 1947, \$9,000,000, to be available for the purposes of carrying out the provisions of said Public Law 8 until June 30, 1948.

Mr. TABER. Mr. Speaker, there is a foot-and-mouth disease outbreak amongst cattle in Mexico, and it is spreading very rapidly. The Mexican Government has agreed to put in about \$9,350,000. We have been authorized to move into the picture by the Gillie bill, Public Law No. 8, which was passed a short time ago. The Department of Agriculture is ready to step in. At the present time Mexico has 25,000 troops keeping a quarantine on these cattle.

These foot-and-mouth disease outbreaks are very expensive and are very difficult to handle. Unless we move in rapidly, it is going to be disastrous to our entire livestock industry all over the North American Continent.

What bothers me about it is that the program of the Department of Agriculture is so slow. They propose only to kill 2,000 animals a day, whereas I believe they should equip themselves to take care of 20,000 and get it cleaned up immediately before it spreads any farther.

I do not feel that the Appropriations Committee on the House of Representatives should take a chance on having any responsibility placed on their shoulders for failure to meet this situation.

Mr. THOMASON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Texas.

Mr. THOMASON. Coming as I do from the Mexican border and being more or less familiar with the seriousness of the situation in Mexico, I would like to commend the distinguished chairman of the Committee on Appropriations for this prompt action. The situation is not only serious. It is very alarming. I think perhaps they are beginning to make some headway to get it under control. Time is of the essence, and I urge prompt and effective action to stamp out this dread disease.

Mr. TABER. The Department of Agriculture is moving too slow.

Mr. THOMASON. Yes; I agree with that. I hope this will be the means of speeding it up. I agree in what the gentleman said about the slowness of the program but I think that was largely because they have not had enough money to proceed with the full program.

Mr. TABER. They did not ask for the money until yesterday, and we are giving our approval today.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE of South Dakota. I simply wish to make the point that the committee acted immediately after the Department brought the request for the funds and reported the bill out on the very next day.

Mr. THOMASON. We from the cattle country are very happy at the promptness with which the committee acted. I hope the Department of Agriculture will follow your fine example.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS of California. The legislative act requires 30-day reports from the Secretary of Agriculture. I am merely suggesting that the Members, especially the committee and those from the cattle areas, should interest themselves personally in those reports to see that action comes from the Secretary on this foot-and-mouth-disease problem.

Mr. TABER. Mr. Speaker, I yield such time as he may require to the gentleman from Indiana [Mr. GILLIE].

Mr. GILLIE. Mr. Speaker, House Joint Resolution 154 provides for an appropriation of \$9,000,000 for use in carrying out the joint United States-Mexican program for exterminating foot-and-mouth disease in the Republic of Mexico through June 30, 1947.

Inasmuch as both the House and Senate unanimously approved American participation in this important program less than a month ago, there should be no opposition to the appropriation of this comparatively modest sum.

I am pleased to report that rapid progress in formulating an effective campaign against foot-and-mouth disease in Mexico has been made in recent weeks by officials of the two governments.

Meeting in Washington, officials representing Mexican agriculture and the United States Department of Agriculture have made a careful estimate of expenses incurred by the Mexican Government since the outbreak of foot-and-mouth disease in Mexico, and probable expenses

through June 30, 1947, of both Governments in order to carry out an effective campaign.

It was my pleasure to meet with these officials last week and have them as my guests at the Capitol. Many of you met them at that time. They included the Honorable Oscar Flores, Mexican Under Secretary of Animal Industry; Ignacio de la Torre, representing the Ministry of Agriculture and Animal Industry of Mexico, and Adolfo Amarcon, Agricultural Attaché of the Mexican Embassy.

Representing the American Government in conference with these gentlemen were W. V. Lambert, Administrator of the Agricultural Research Administration; Dr. B. T. Simms, Chief of the Bureau of Animal Industry; and John A. Hopkins, of the Office of Foreign Agricultural Relations.

The following findings and recommendations resulted from these conferences:

Whereas Mexico is incurring expenses for services, personnel, equipment, and supplies which are estimated to amount to \$7,600,000 up to June 30, and will be responsible for indemnities to be paid for slaughter of hogs, goats, and sheep, which will amount to a sum of approximately \$1,750,000, making a total Mexican contribution of \$9,350,000 for this period.

It is recommended: 1. That the United States contribution for this period should consist of expenses for equipment, supplies, personnel, and so forth, amounting to approximately \$1,500,000, plus indemnities of \$7,500,000 for cattle slaughtered, making a total of \$9,000,000.

2. That any salvage recovered by Mexico from animals slaughtered during the campaign should be used in the joint campaign in addition to the services already rendered by Mexico, and, with regard to the continuation of the joint program for the eradication of foot-and-mouth disease in Mexico after July 1, 1947.

Whereas Mexico hopes to continue its expenditures at approximately the same rate as during the months April-June 1947, but foresees that it will not be able to increase this rate of expenditure,

It is further recommended: 1. That, if a fully effective program of eradication is to be carried on during the succeeding 12 months, the United States Government be prepared to increase its rate of expenditures, the amount of such increase to be dependent on the total expenditures necessary for the period from July 1, 1947, to June 30, 1948.

(Mr. GILLIE asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, the two appalling features of this disease are first, its incurability, and second, the alarming rapidity with which it is disseminated.

The only remedy is extermination. All infected animals, or animals exposed to infection, must be slaughtered promptly and either incinerated or buried at least 7 feet deep and beyond all possibility of disinterment.

It spreads with such rapidity, carried by men, dogs, and birds, that if allowed to take its course, it would within a short time eliminate the livestock industry. It first appeared in Mexico in December and although quarantined and opposed by every resource of the Mexican Govern-

ment, it is now distributed through 10 Mexican States and already has traveled a distance of 250 miles.

The disease is not restricted to cattle but affects all cloven-footed animals, including goats, deer, sheep, and hogs. Its impact upon the livestock of the country is as deadly as an outbreak of smallpox among primitive nomadic tribes in the last century, and unless controlled would eventually wipe out a large part of the animal life of North America.

Some scientists have advanced the idea that the possibility of the incidence of some such disease may explain the mysterious disappearance of prehistoric animals, such as the dinosaur, the largest animal of all time, which roamed through the length and breadth of North America in countless numbers during the Cretaceous period and then became extinct although there was no form of animal life on the globe at the time which could have brought about its extinction.

Although the Mexican Government has deployed an army of 25,000 men about the infected area and is making every effort to restrict and exterminate it, the problem is of such serious proportions, and the disease is advancing so rapidly toward our own borders that it is necessary for us to cooperate at once. Frankly, the \$9,000,000 carried in the pending bill will not be sufficient to see us through. But it is all that can be utilized at this time and will carry on the work until further funds can be provided.

The report accompanying the resolution is somewhat misleading in that it may serve to give the impression that the Department of Agriculture has not moved with sufficient celerity and is not attacking the problem with sufficient emphasis.

Quite the contrary is true. The news of the outbreak, with the suggestion that the contagion might be the dreaded foot-and-mouth disease, reached the Department one afternoon. Early the next morning a plane was dispatched with American scientists to the scene of the outbreak. The telegram announcing that the diagnosis was unmistakable was received at the Department at 5 o'clock p. m. and at 5:30 o'clock telegrams were dispatched alerting all stations and closing the Mexican border to importations of susceptible animals and taking every other step warranted by the situation.

The delay intervening between that time and this was due to the necessity of the Mexican authorities completing their plans and securing authorization for negotiations. The representatives of the Mexican Government with final authority to act reached Washington Saturday and the American Department of Agriculture promptly concluded arrangements and forwarded a budget estimate through regular channels to the House on Monday. In the meantime materials had been located, contracts prepared and every action taken that could be taken in advance of concordance with the Mexican Government and appropriation by the Congress.

I congratulate the Department and those in charge of this work for the aggressive and efficient way in which they

have met the situation. It could not have been more ably or more expeditiously handled.

It has been suggested that the rate of slaughter of 2,000 head of cattle a day is too low and indicates either lack of appreciation of the situation or failure to meet it with all available resources. On the contrary, the processing and slaughter of 2,000 head per day is the limit of physical capacity—especially in the early days of the campaign. The process of acquisition, indemnification, and eradication, with all the attending difficulties of salvage of exposed but uninfected animals over so wide and broken a terrain presents obstacles insurmountable at a greater rate of speed, while the cooperation of owners, processors, and officials is being enlisted and a routine established.

As a matter of fact the Committee on Appropriations has acted only and solely on the advice and suggestion of the Department. The amount of the \$9,000,000 appropriation itself was determined by the Department and not by the committee, which merely approved it.

But time is short and the committee is to be commended for the promptness with which it has cooperated. I trust the House will likewise cooperate with a unanimous vote on the resolution.

The SPEAKER. The question is on the resolution.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ROBSION asked and was given permission to extend his remarks in the Record and include therein a letter from Mr. Ernest T. Weir, president of the Weirton Steel Co., Pittsburgh, Pa.

DISTRIBUTION AND PRICING OF SUGAR

Mr. KUNKEL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 146, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 146, relating to the distribution and pricing of sugar, with Mr. COLE of New York in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I think that the purposes of House Joint Resolution 146, which is before us for consideration, quite generally meet the approval of the House. The Committee on Banking and Currency held rather extensive hearings and debated it quite at length, and it was reported out of the committee unanimously with the reservation, as is usual, that the committee members might take any position they cared to on the

floor with respect to amendments or the final disposition of the resolution.

The resolution, in substance, provides for the continuance of the sugar rationing and the pricing of sugar until October 31, 1947, with the provision that the Secretary of Agriculture is granted the authority to continue inventory controls between October 31, 1947 and March 31, 1948 when, under the provisions of the resolution, all controls over the rationing of sugar shall expire.

It will be recalled that the authority to ration sugar is contained in the Second War Powers Act which, unless it is extended by the Congress, expires on March 31, 1947, and the power to control prices of sugar is found in the Emergency Price Control and Stabilization Acts. That authority, unless the Congress moves to continue it, expires on June 30, 1947.

In this bill we seek to dispose of both of the questions of rationing and of pricing, and the controls in this resolution are set up separately and independently of any other powers and machinery provided for in the Second War Powers Act and the Emergency Price Control and Rationing Acts. It is contemplated that the Office of Price Administration shall be discontinued as such on or before June 30, 1947. The powers to ration sugar and control the price of sugar is continued under the provisions of this resolution under the jurisdiction and control of the Secretary of Agriculture. Provision is made for the transfer of appropriations and personnel, but the policy making will henceforth be in the Department of Agriculture.

Now, the need for the legislation is quite generally accepted and I think quite apparent. I think you get a great deal of detailed information from the report of the committee.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Iowa.

Mr. TALLE. An important correction should be made in the report on page 10. The reason for the correction is a typographical error. I should like to read the last sentence of the conclusion as it should appear in the report:

It feels that with the increased sugar available during 1947, over 1946, for industrial users that the reasonable needs of new users and the reasonable relief of hardship cases including provision of sugar to prevent the wastage of milk—

Not mill—

and other food products, must be provided for by the Secretary of Agriculture.

It was the will of the committee that this direction should be given to the Secretary of Agriculture in order that the wastage of milk, which has already occurred and which would increase in the future, might be stopped.

The preservation of food is certainly very important. I call the attention of my colleagues to page 162 of the hearings, where Mr. Holman, Secretary of the National Cooperative Milk Producers Federation, summarized the situation and expressed his deep interest in this matter.

Said Mr. Holman:

Large amounts of skim milk will go to waste or be lost for human consumption unless sugar is made available to process it. The Government agencies have indicated that they will not make the necessary sugar available unless they are compelled to do so by Congress.

The committee, therefore, agreed to make the intent of the resolution now before us clear by putting into the report the language which I have read in its correct form.

I shall not take any further time. I believe my very able and distinguished chairman will support me in what I have said.

Mr. WOLCOTT. The gentleman is absolutely correct. It is a typographical error, where the word "mill" appears in the line quoted by the gentleman from Iowa. It should be "milk."

I may say that the intent of the committee in that respect is further set forth in the language on page 12 of the report, which reads as follows:

It is the intention of the committee that the Secretary of Agriculture, in carrying out this provision—

As respects new users, users who did not have a base period, and hardship cases—

shall make just and reasonable provision for meeting the need for sugar in hardship cases (including cases where sugar is needed to avoid wastage of milk or other food products) and for the needs of new sugar users, and the needs of those who have no base-period history. It is provided that the Secretary shall act without regard to other law, because it is believed that he should not be bound by the provisions of title II of the War Mobilization and Reconversion Act of 1944.

That was put in because of the Moberly against Anderson & Fleming case, with which you are all familiar.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. Getting back to the hardship cases, I know definitely that in the past the Department has discriminated against people where there is a change or transfer of ownership. I know of one case where there were two competitors. One of them sold his business to an individual, and that new individual was denied the same rights as his competitor because there was this transfer in ownership. I wonder if the gentleman would be so kind as to tell the House whether it is not the intent of this bill that there shall be no discrimination where there is a transfer in ownership, providing the person who purchases it continues the same line of business and the same use of sugar.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself five additional minutes.

In answer to the gentleman I may say that there should be no question in respect to those cases where the purchaser of the property is a veteran. It has always been customary for them to take care of the veterans in that particular.

Mr. ALLEN of Illinois. I mean irrespective of veterans. I am talking of someone who is not a veteran.

Mr. WOLCOTT. I have a letter here on that subject from Mr. Irvin L. Rice, Acting Deputy Commissioner for Sugar, Sugar Department, Office of Temporary Controls, and I shall include this as part of my remarks. It is as follows:

OFFICE OF TEMPORARY CONTROLS,
Washington, D. C.

The Honorable JESSE P. WOLCOTT,
Chairman, House Banking and Currency
Committee, Washington, D. C.

DEAR MR. WOLCOTT: You have requested further information as to the right of a purchaser of a going sugar-using business to receive the sugar allotment of that business under the sugar-rationing programs in line with testimony given before your committee last week by Mr. George Dice. Since Mr. Dice is no longer with this office, I have undertaken to supply the information you request.

Section 18.3 of Third Revised Ration Order 3 is the section which governs the transfer of sugar bases and allotments when the transferor disposes of all or part of his sugar-using operations. A transfer to the purchaser of a proportionate part or all of the sugar base of the business will be made if both transferor and transferee notify the appropriate sugar branch office of the sale of the business, and if the transferee will continue to serve the same area, and the same class of customers, with the same class of products as were formerly produced by the transferor. These requirements are, of course, designed to permit the normal consumer of the products of the business the opportunity to continue to receive them.

The transferee need not continue to use the same premises and facilities for his operation as were formerly used by the transferor. From our standpoint all that is necessary to be transferred are the assets of the particular establishment which go to the make-up of that establishment as a going concern. These assets include, of course, the good will, lists of customers or routes, and things of a like nature which are essential to the continued operation of the business by the transferee.

I should like to point out that, in the case of veterans' sugar bases assigned under Revised General Ration Order 18, the rule is somewhat different. In such cases, the transfer of the sugar base is permissible within a year after the establishment has begun to operate only if the transferee is himself a qualified veteran or if he acquires the business by inheritance on the death of the veteran owner of the establishment. However, after the establishment has been in operation for more than a year it may be transferred to any person under the provisions of Third Revised Ration Order 3 mentioned above. The purpose of this 1-year limitation upon transferability of veterans' sugar bases is to prevent the fraudulent use of veterans by established users or otherwise ineligible persons as mere devices for obtaining sugar bases or additions to their established bases.

I trust this supplies the information you desire. If I can be of further assistance, do not hesitate to call upon me.

Sincerely yours,

IRVIN L. RICE,
Acting Deputy Commissioner for
Sugar Department.

In accordance with this letter, the purchaser of the business is subrogated to all the rights of the person from whom the business was purchased had, if he carries on the same business. If he indulges

in new practices, if he expands the business and goes into the manufacture or processing of new products, then he becomes a new user and would be considered under the other provisions of the law; but if he carries on the same business, producing the same article, he gets all the rights the person from whom he bought had.

Mr. ALLEN of Illinois. I thank the gentleman.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Illinois.

Mr. OWENS. I was listening very carefully but I still cannot understand clearly what the gentleman means by new users. I looked at the report and also the hearings, and I have not been able up to this time to inform myself clearly as to what is meant by new users.

Mr. WOLCOTT. It does not make very much difference. If they are not classified as new users, then they are probably being taken care of at the present time, and if they are classified as new users, whether by reason of expansion of existing business or by having just gone into business, then it is our intention that the Secretary of Agriculture shall make provision for such users consistent with the over-all program. But our intent very clearly is that the Secretary of Agriculture shall make available some sugar for new users. We have deplored the fact that there is a possibility under the practice which has heretofore been indulged in of freezing such an important segment of our economy as to put the Congress in the position where by legislation it not only condones but almost participates in violations of the spirit, at least, of the Sherman Antitrust Act. We wish to avoid this in the pending legislation.

Mr. OWENS. But I do not think the point is made clear enough with reference to those who have struggled through the years regarding sugar as to whether or not it is going to affect them. I agree with the gentleman but I do not believe it is made clear enough.

Mr. WOLCOTT. I think it might effect them somewhat. It will effect them this way. An existing business anticipates an expansion predicated upon an increase in availability of sugar which will give it an increase in its allotment. If we make provisions for new users, that must, of course, come out of any increases which the old users would otherwise get.

Mr. OWENS. I do not see how you can justify continuing the rationing of sugar in that way and permit new users who come into the market to get an increase in sugar.

Mr. WOLCOTT. Would you be against the rationing of sugar to new users?

Mr. OWENS. No, but all I am saying is that it is not explained sufficiently.

Mr. WOLCOTT. May I say that the only alternative would be to set aside a certain percentage of sugar to new users. It is difficult to determine what percentage should be granted to new users or left to the old users. You have to leave the administration of this law to someone. You cannot legislate common sense into the administration of any law.

But if common sense is not used in the administration of a law, then, of course, the Congress is always here to check against it and to make provisions to correct any abuses. All of the extension bills for OPA which we have ever had before the Congress have been predicated upon faulty administration, at least, by the Office of Price Administration. It is hoped by transferring the administration of this law to the Secretary of Agriculture the whole economy will get somewhat more sympathetic consideration.

Mr. OWENS. I agree with the gentleman, but I still feel that it is giving dictatorial powers to one man without clearly defining them.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. TALLE. Supplementing what my chairman has said about transfers of titles to plants and whether a sugar quota passes with the title to the buyer, I may say that I interrogated Mr. Dice on that very matter, and the colloquy may be found on pages 112 and 113 of the printed hearings pertaining to the pending resolution.

Mr. WOLCOTT. May I go on and put these figures in the RECORD justifying this continuance and state very briefly what we may expect the picture to be this year.

I think the sugar situation is getting very, very much better. In 1945, we had available to the United States for all purposes 5,085,908 short tons. In 1946, we had available 5,479,529 short tons, and it is estimated in 1947 we shall have available 6,800,000 short tons. These figures are in terms of raw sugar values. That is quite an increase, and there is a possibility of our getting even more sugar if the Cuban sugar crop comes up to latest expectations. So, I think we can be assured that by the latter part of this year the supply is reasonably going to approach demands.

We are assured that there is going to be almost enough to give the American people on a per capita basis within 10 pounds per annum of normal consumption. The normal consumption by the people of the United States is about 103 pounds raw value. We are assured that this year the American people on a per capita basis will get about 93 pounds raw value. One pound of refined sugar equals 1.07 pounds raw value.

So we are approaching that period, if we use judgment, when it will be perfectly safe without injury to the housewife and without injury to the commercial or industrial user, to take controls off altogether.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. DONDERO. This bill keeps the Government controls until October 31 of this year. Are the people of the United States to understand that at that time Government controls will cease?

Mr. WOLCOTT. That is the recommendation of the committee, excepting that inventory controls may be continued until March 31, 1948.

Mr. DONDERO. Will the gentleman explain what he means by "inventory controls?"

Mr. WOLCOTT. I cannot. It would seem to me that something has to be done with it. I am so far protecting the committee bill. The committee in its judgment accepted that. I would have preferred to handle it otherwise. I am just a little fearful that unless we do something with that language, it will be assumed that we have continued the power of the Secretary of Agriculture to continue sugar rationing until March 31, because we do not say that only commercial inventories shall be continued. We say "inventories." Of course, that might include sugar which the housewives may have in the sugar bowls. I will later offer an amendment to clarify our intentions.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Wolcott] has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself one additional minute.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HILL. Mr. Chairman, where an old-established firm, using a certain amount of sugar, buys another firm that is run down at the heel, and they wish to build up this company, not in its own city or even in its own State, and he comes down to Washington and asks assistance in getting a sugar allotment to take care of that business, is he going to receive the same kind of treatment after this bill is passed that he is receiving now from this group which you just got through saying we could not legislate any common sense in? I do not think they have any kind of sense—common or uncommon.

Mr. WOLCOTT. It is the hope of the committee that the administration of this law from this time on will be more sympathetic. But the answer to the problem is not to take off controls, because if you take off controls you would have the commercial bidding successfully in the open market, either with or without price control, for supplies with which to build up inventories. What I think we have to be very careful about here is that feature. I think we should generally have this in mind throughout these discussions, that what the committee has attempted to do and what the Congress should try to do is to prevent the creation of a situation where, by competition in the open market, the housewife will be prejudiced to the point where she will not be able to get any sugar.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this was a unanimous report of the committee. That does not mean there were not some sharp differences of opinion as to what the bill should contain. Controls were the result of the war. I have heard some gentlemen speak of the controls as totalitarian, and they seem to draw no distinction between controls which a dictator places upon his people to enslave them and controls which a freely elected Congress places upon those who freely elected them, for their own good.

Controls during the great emergency of the war were absolutely essential to preserve the economy of our Nation. The taking off of those controls is liable to produce an issue as explosive as putting them on. This is no time to make controls a whipping boy, because if you do the result may be disastrous to those who take that action.

Nobody wants controls. I think all reasonable people want free enterprise and the competitive system. I would like to go back tomorrow to the conditions that prevailed long before that great emergency which the Democratic Party inherited years ago, and long before the war; but conditions make it imperative that we continue these controls. You all know the hazards of agriculture. Nobody can tell what the sugar crop will be this year. There was a wide diversity of opinion before the committee as to what sugar would be produced this year. There is a shortage of sugar. Sugar is the most generally demanded product in the world. There is a world demand. The alternative that presented itself to the committee under this bill was whether rationing would cease on the 31st day of March and price control would cease on the 30th of June. If no legislation is enacted, all controls would go off on the 30th of June of this year.

The bill as originally introduced provided that price control should cease on October 31, but the Secretary of Agriculture afterwards felt it was necessary and in the public interest to continue those controls until the 31st of March of next year. I thought that was a wise provision, for when controls go off under this bill Congress will not be in session. The controls will cease on the 31st of October.

I do not believe either the consumer or the producer wants a disorganized market. I do not believe either would profit by a runaway price of sugar. The producer, of course, might benefit for a short time, but in the long run it would be disastrous to both the producer and the consumer. I think there ought to be discretion somewhere when the date arrives on which these controls are removed to say whether or not it is advisable to remove them on that date. I am for the bill, of course, as compared with the present legislation. I believe the Secretary of Agriculture is the proper person in whom to lodge this discretion.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. JENKINS of Ohio. As I understand, then, the bill does two things: First, it does away with OPA control over sugar.

Mr. SPENCE. Yes.

Mr. JENKINS of Ohio. And it reposes all controls in the Secretary of Agriculture until the 31st of October.

Mr. SPENCE. And transfers to the Secretary of Agriculture all existing machinery and available funds.

Mr. JENKINS of Ohio. Until the 31st of October.

Mr. SPENCE. Until the 31st of October.

Mr. JENKINS of Ohio. Is there any other provision of law under which the

Secretary of Agriculture would have control after the 31st of October?

Mr. SPENCE. None that I know of.

Mr. JENKINS of Ohio. No rationing, no price control?

Mr. SPENCE. None that I know of except the control of inventories until the 31st of March. What inventory control means and how far that goes I do not know. I do not think it means ordinary price control or rationing.

Mr. JENKINS of Ohio. It would probably operate something like a floor-tax control. Anyhow, he has that discretion after the 31st of October?

Mr. SPENCE. Yes; after the 31st of October, but the control over rationing and price ceases abruptly.

Mr. JENKINS of Ohio. Would the gentleman construe inventory control to go so far as to inventory the sugar in the hands of the consumer, for instance, the housewife?

Mr. SPENCE. No; I do not think so.

Mr. JENKINS of Ohio. Would it go so far as to require inventory controls of sugar in the hands of little independent grocers or some small retailer?

Mr. SPENCE. I have no definition of inventory control, but I think it would be probably applied to large holders of sugar. I do not believe the Government will go into every kitchen to see what the housewife has on her shelves. I do not believe there is anything like that in contemplation.

Mr. JENKINS of Ohio. Would the gentleman construe it to mean that it covers the large industrial users of sugar and the wholesalers?

Mr. SPENCE. It seems to me it will be limited. I cannot believe the Secretary of Agriculture would want to go into the kitchen of the housewife to see how much she has on hand.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield further?

Mr. SPENCE. Certainly.

Mr. JENKINS of Ohio. See if this expresses it correctly: As I understand sugar was the first commodity put under the control of OPA and it is the last one to be taken out from under control, and with the coming of October 31 all rationing of all commodities will go?

Mr. SPENCE. Yes. It was placed under control of OPA because of necessity and because of the shortage of supply. It is still controlled because of shortage of supply. The only hope is that the supply will equal the demand, for if it does not we will see a spiral rise in the price of sugar that will cost the housewife millions and millions of dollars.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. BONNER. What is the purpose of inventory control if rationing and price controls go off? What is the advantage of it?

Mr. SPENCE. I suppose inventory control after rationing and price controls are removed would tend to prevent hoarding. Some people might hoard sugar for the purpose of selling it afterwards at a profit.

Mr. BONNER. Suppose that takes place. Then what can the Secretary of Agriculture do about it under this bill?

Mr. SPENCE. I do not know what he is going to do about it.

Mr. BONNER. That is why I am asking the question, What is the advantage of this inventory control?

Mr. SPENCE. It will tend to prevent hoarding of sugar.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. SPENCE. Mr. Chairman, I yield myself 2 additional minutes.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. I would like to ask the gentleman if this bill outlines any specific policy and directs the Secretary of Agriculture to do any specific thing as far as limiting the amount or rationing is concerned?

Mr. SPENCE. No; that is left to the discretion of the Secretary of Agriculture under general powers. He has additional power that he did not have before to render decisions in hardship cases, which I think is a very wise plan.

Mr. EDWIN ARTHUR HALL. Is it the opinion of the gentleman that the passage of this bill will keep the housewife in enough sugar, that is, as far as the policy goes, to continue her through October 31?

Mr. SPENCE. There will be no change in the administration until that time except that it is transferred to the Secretary of Agriculture.

Mr. EDWIN ARTHUR HALL. The point I am trying to make is this: As I understand, the passage of this bill is to avoid chaos and confusion in the whole sugar picture.

Mr. SPENCE. The same methods will be pursued, I presume, that have been pursued heretofore.

Mr. EDWIN ARTHUR HALL. The gentleman feels that it is necessary now?

Mr. SPENCE. I do. I feel the bill is necessary, and between the two alternatives that present themselves, I am certainly for the bill.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Oklahoma.

Mr. MORRIS. I do not ask this question to be critical at all, but purely for information. Why is it that inventory control is so hard to explain, and why is it in the bill if no one seems to know just what it means? I would like to have a little enlightenment on it. I am not critical in asking the question.

Mr. SPENCE. I cannot give the gentleman a definite answer on inventory control. I presume it means that it is not spelled out in the bill. I presume it means that the Secretary would have control of the inventories of large users, to prevent hoarding of sugar, which they would naturally do, and I certainly do not think it is the import of the bill to give control to those engaged in the industries in which sugar is used.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. SPENCE. Mr. Chairman, I yield 17 minutes to the gentleman from Georgia [Mr. BROWN].

(Mr. BROWN of Georgia asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Georgia. Mr. Chairman, I am satisfied that everybody in the Chamber desires to get back to free enterprise as soon as possible. We do not want any further regimentation unless it is absolutely necessary. We do not want any further controls on food or anything else unless it is necessary.

I know very little about sugar, but I was present and I heard all the witnesses who testified before the committee. I think what the people of America want is more sugar, but I am satisfied that if they knew they were not going to get more sugar, they would not want to pay a higher price for the sugar that they are getting and will receive. I am convinced that if you decontrol sugar at this particular time, the allocation will not be greater, and the price will jump sky high.

Now, here is what the witnesses testified to before us. I would like to say at this point that this bill extends price and ration control only until October 31 of this year, and inventory control until March 31 of next year, and provides that such controls shall be transferred to the Secretary of Agriculture. Now, what we mean by inventory control is those engaged in selling sugar. We do not want those engaged in selling sugar to withhold it from the consumers.

Mr. DOMENGEAUX. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Louisiana.

Mr. DOMENGEAUX. Would the gentleman have any objection to an amendment on page 6 where inventory control is mentioned, but it makes no distinction as to whether that shall be commercial or industrial control? This could mean housewives' inventory, also.

Mr. BROWN of Georgia. I do not have any objection to that, and the amendment should prevail. I brought out from witnesses myself that of this increased amount produced this year housewives will get a larger percentage than industrial users. I think the gentleman was there and heard some of the witnesses. I think the housewives should have more. I am in favor of giving the housewives, the people at home, a larger amount than industrial users.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Michigan.

Mr. DONDERO. Can the gentleman give the House any explanation as to the meaning of the language in lines 17 and 18 on page 6 of the resolution?

Mr. BROWN of Georgia. What does it say?

Mr. DONDERO. It refers to the inventory which may be continued until March 31, 1948.

Mr. BROWN of Georgia. This means the inventory of the amount of sugar a dealer has on hand to sell and does not refer to the consumer. That is my interpretation. The fellow that sells the sugar does not have the right to hold it. He should not obtain a whole lot of sugar and then refuse to sell it to the consumers. A lot of people would do that

with the idea that the sugar price would be increased when the controls were taken away, and it would not be distributed properly.

Mr. DONDERO. Did anybody appear before the gentleman's committee and make an explanation as to just what that did mean, if it was different from what the gentleman has just stated? The gentleman is the first one to explain it.

Mr. BROWN of Georgia. I think everybody understood it that way. There was no necessity for explaining it.

A number of witnesses, representing consumers, producers, refiners, processors, wholesalers, retailers, and all classes engaged in the sugar industry, testified before the committee. Practically all of the witnesses stated it would not do to remove restrictions at this time, either on rationing of sugar or ceiling prices for sugar, for the reason that to do so would not bring any more production at this time but certainly would increase the price of sugar and would cause an uneven distribution of sugar in this country.

The testimony of the witnesses showed that production will be about 13 percent more this year than last year, and that another similar increase by next year would bring enough sugar to satisfy the needs for family use and industrial use.

All witnesses wanted continued restrictions on sugar no longer than necessary. Many of them stated that the law should be extended to at least October 31 of this year, as all of the crop will have been planted and much of it harvested by that time, and many others stated that authority for the controls should be extended to March 31, 1948.

The evidence shows that the needs of the United States for this year will be something over 8,000,000 short tons and that the sugar we will produce in the United States this year and our share of the sugar we have contracted for in other countries, including Cuba, will amount to something like 6,800,000 short tons. This estimate is based on acreage planted and to be planted. Therefore we will have a shortage this year of over 1,000,000 tons. It is expected that 6,800,000 tons will provide a per capita consumption for the year of about 87 pounds of refined sugar or 93 pounds raw value, as compared with the prewar per capita consumption of about 96 pounds of refined sugar or 103 pounds of raw value. We find ourselves facing an estimated shortage of more than a million tons of sugar, and there is no possible place in the world from which we can obtain more at any price. So we are forced to the conclusion, so far as this crop is concerned, that we will not get any more sugar for the housewives if controls are taken off, but probably the users of sugar would have to pay many times more than the present price.

I think every member of the Committee and of Congress would like to take controls off sugar at this time if we thought we would get more sugar, even at some reasonable increase in the price, but from the evidence produced to us, this is not the case, but the evidence is encouraging from the standpoint that we will have enough sugar produced to meet the needs for next year.

We all remember 1920 following World War I when the price of sugar went to 27 cents and more per pound. To take controls off at this time, might cause sugar to go this high again, with prospect of not getting any more sugar to satisfy the needs of our people. The evidence shows that uneven distribution and confusion would result and the probability is that housewives and small users would find that they had considerably less sugar than under a rationing system, and this is one reason there is such unanimity of opinion of all those in the sugar industry, including growers, processors, refiners, and trade associations representing such groups as ice cream, evaporated milk, confectioners, bottling, and many other manufacturers.

It is my understanding that a larger percent of increased production for this year was or will be given to housewives over industrial users, which is fair and right. Everyone knows that when sugar is in short supply and without allocation and equal distribution, the first to suffer will be the housewives and then the small industrial users. Many small users have no warehouse facilities for storing sugar nor the funds with which to buy large stocks like large industrial users, and as long as sugar is in short supply the people who would profit would be the speculators and the large users. The small users and the housewives cannot compete with the large users in this short field of supply.

People must understand that we produce in continental United States less than one-third enough sugar to supply our needs. Therefore we have to contract with producers outside of this country to obtain most of our sugar.

We contracted for the entire Cuban sugar crop, of which 3,150,000 short tons will come to the United States. It is thought that Cuba will produce around 5,500,000 short tons. We sent last year 400,000 tons to Europe and other foreign countries. It is estimated we will send less than that this year. This sugar shipped from the United States to foreign countries did not come out of our domestic supplies, but represents sugar that was brought from Cuba to this country for refining and subsequent shipment rather than being shipped direct from Cuba to the foreign countries.

The United States has been purchasing the entire quantity of Cuban sugar during the past few years, with the exception of the relatively small quantity reserved for local consumption in Cuba and for shipment to other American countries. The United States purchase, through the Commodity Credit Corporation, is made in behalf of all the countries which normally purchase some sugar in Cuba. This arrangement, whereby the United States is the sole purchaser, prevents the chaotic condition which would result if all the countries went into Cuba and bid against each other for the available supplies of sugar. This purchasing arrangement naturally leaves the United States with an obligation to share the sugar with the other countries in whose behalf we have purchased a part of it.

Under such arrangement, we will receive two-thirds of the sugar exported from Cuba this year and foreign coun-

tries will receive one-third. This represents our normal share of Cuban sugar. Also we get all the sugar that is produced in other countries, Puerto Rico and Hawaii, except what is needed for home consumption.

Since the Commodity Credit Corporation has purchased the entire Cuban sugar crop, the foreign countries receive their share of the Cuban sugar by accepting assignments of the CCC contract for their share of the sugar. This permits the foreign countries to make settlement directly with Cuba for the sugar they receive. In other words, we do not guarantee anything. We just assign them a part of the contract, and then they pay direct to Cuba and we are not involved in that. The Commodity Credit Corporation therefore assumes no financial risks on the sugar that is shipped to foreign countries.

Out of the 5,500,000 short tons produced in Cuba, 750,000 short tons is reserved for home consumption and for sale to other Latin-American countries.

Mr. Chairman, when we all understand the sugar situation I think we will be forced to one conclusion, that unless we extend for a short while the rationing and controls, we will not get any more sugar, and we all know we will have to pay a much higher price for the sugar that we do consume.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. BROWN] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. SMITH].

(Mr. SMITH of Ohio asked and was granted permission to revise and extend his remarks.)

Mr. SMITH of Ohio. Mr. Chairman, House Joint Resolution 146, to extend the powers and authority under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, has at least two serious flaws in it if the purpose of the resolution is to get rid of political control over sugar. The resolution provides for continuing price control and rationing of sugar until October 31, 1947. Then it qualifies this provision by providing that authority to continue inventory controls of sugar may be exercised until March 31, 1948. I think inventory control can become just as objectionable as rationing. If my memory serves me correctly, Administration witnesses testified against inventory control ostensibly on the ground that it would be difficult to operate. My objection to it is that it not only would be difficult to operate but impossible to operate equitably. I also object to it because it leaves the control boys with a string to the whole program of price ceilings on and rationing of sugar.

If it is really the intention of Congress to end political interference with sugar on that date, the bill should provide for ending price control and rationing of sugar on October 31, 1947—period.

But there is a far more serious flaw involved in this bill than inventory control. I refer to the power exercised by the International Emergency Food Council to pool the world's sugar supply and to ration out of that pool the United States share of sugar. The point is that

even if the joint resolution before us does everything its face would indicate, we would still have rationing of sugar.

This would be true even if the United States increased its own sugar production. The people of the United States no longer have the power to say whether or not they shall eat the sugar they produce. That is now left to the "one worlders" and this is something we ought to tell the housewives who continually bombard us for more sugar.

Here the political regime controlling our Government, which craves control and more control, is vested with an extraordinary power to manipulate our sugar supply.

I cannot find any legal authority whereby the President is given the power to enter into any international agreement which gives foreigners control over the sugar we produce. So far as I can learn, it is just another one of those self-constituted powers of which we have experienced so many in the last few years. In this connection, should we not mention that the one-world government is not only telling the people of the United States how much sugar they can eat but how much wheat and other foods as well. Indeed, it is in the process of applying the same principle to everything we produce. If the people of the United States like this sort of arrangement, if they are willing to share their produce with the rest of the world, they have a right to do so. I doubt, however, that they have any such desire. Certainly, it is the duty of every Congressman to inform his constituents of the facts of the situation. They should know, if they have not already learned, that the political forces controlling our Government are giving America away as fast as they can, and so far as I am aware the Congress is doing nothing about it. Instead, it is lending itself to supporting this insane and suicidal policy.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. BUFFETT. Has the gentleman been able to find any place in the statute books where the Congress of the United States has authorized an international board to determine how much sugar the American people should have?

Mr. SMITH of Ohio. I am quite sure that the Congress never gave such authority. I am coming to that point in just a moment.

Mr. BUFFETT. One other question. When our committee met on this problem and as the Congress meets now, we are operating sort of like a coroner's jury—holding an inquest over how the sugar that has been allocated to us by an international board, shall be disposed of. Is that right?

Mr. SMITH of Ohio. That is correct.

The International Emergency Food Council, one of the elements of World government, would continue to tell the United States how much sugar we can have. This would be true even if the United States increased its own sugar production. The people of the United States no longer have the power to say whether or not they shall eat the sugar they produce; that is now left to the

one world government, and this is something we ought to tell the housewives when they write to us for more sugar. Here again the political regime controlling our Government, which craves control and more control, is vested with an extraordinary power to manipulate our sugar supply.

I cannot find any legal authority whereby the President is given the power to enter into any international agreement which gives foreigners control over the sugar we produce.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. JENKINS of Ohio. This International Board of Control the gentleman talks about met here in Washington about a month ago, did it not?

Mr. SMITH of Ohio. I am not sure.

Mr. JENKINS of Ohio. I believe they did. They give us the right to have a representative on that board, do they?

Mr. SMITH of Ohio. Oh, I think they extend us that little privilege.

Mr. JENKINS of Ohio. They give us that much courtesy, do they?

Mr. SMITH of Ohio. I suppose so.

Mr. JENKINS of Ohio. Who is our representative on the board?

Mr. SMITH of Ohio. I understand the President is supposed to be.

Mr. JENKINS of Ohio. He, of course, does not sit on any board.

Mr. SMITH of Ohio. But he is supposed to have the matter under his jurisdiction and he has, I believe designated the Secretary of Agriculture.

Mr. WOLCOTT. If the gentleman will yield, it is Secretary Anderson.

Mr. SMITH of Ohio. As far as I can learn it is just another one of those self-constituted powers of which we experienced so many in the last few years. In this connection it should be mentioned that the one world government is not only telling the people of the United States how much sugar they can eat, but also how much wheat and other foods; indeed, it is in the process of applying the same principle to everything we produce. If the people of the United States like this sort of arrangement, if they are willing to share their produce with the rest of the world they have the right to do so. I doubt, however, that they have any such desire.

Certainly it is the duty of every Congressman to inform his constituents of the facts of the situation. They should know if they have not already learned that the political forces controlling our Government are giving America away as fast as they can, and so far as I am aware the United States Congress is doing nothing about it; indeed, it is lending itself to supporting this uncertain and suicidal policy.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. KUNKEL. I believe the gentleman is performing a public service in calling these facts to the attention of the American people, but does not the gentleman believe that this bill cannot properly deal with the question he has raised, the second question, the one of international control? After all, this particular bill is merely to end sugar

rationing in the United States, and this international situation does not properly fall within the scope of the pending legislation.

Mr. SMITH of Ohio. It certainly falls within the scope of the Congress of the United States and I think it is important enough that the Congress should give attention to it.

Mr. KUNKEL. Perhaps so, but it does not come within the scope of the pending legislation which deals purely with domestic matters.

Mr. SMITH of Ohio. But in dealing with this important question in which an international board tells us how much sugar we can have, I think it is certainly relevant to go into the collateral issues of similar nature. This is a bill to continue sugar control yet we are letting word go out to the people today that we are here considering ways and means for doing away with sugar controls to the extent that we can get more sugar. We are not doing our full duty, so long as we do not tell them about this entire international arrangement.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. EDWIN ARTHUR HALL. The gentleman mentioned the international board and its activities. I call to the gentleman's attention an indication that there are some forces at work to limit the importation of Cuban sugar which during the war constituted a considerable source of supply to the people of the United States. Has the gentleman any information as to what this international board is going to do in relation to limiting the export of Cuban sugar to the United States?

Mr. SMITH of Ohio. How can anybody know what any international body is going to do?

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. KUNKEL. I understand the International Emergency Food Council allotted from the Cuban crop somewhere in the neighborhood of 3,150,000 tons. There seems to be good reason to believe that the Cuban crop will exceed the estimate made at that time by 650,000 tons. Is there machinery by which that can be allotted to American housewives for canning purposes? Or does it have to lie in warehouses until the International Emergency Food Council meets again?

Mr. SMITH of Ohio. No; there is machinery to prevent it from coming into the United States; that is the International Emergency Food Council.

Mr. KUNKEL. In other words, as it stands, it will not come in.

Mr. SMITH of Ohio. We will get our proportion, of course; or, we are supposed to get our share. Whether we will or not I do not know but I assume probably we shall.

Mr. WOLCOTT. Mr. Chairman, I yield myself 3 minutes for the purpose of clarifying this question of our participation in the International Emergency Food Council and our authority to participate in it.

Mr. Marshall, of the Department of Agriculture, was before the committee, and this question was asked, and it was

debated at length before the committee. On page 67 of the hearings we find this following language in connection with a statement of the history and authority for the United States participation in the International Emergency Food Council. I want to say at the outset that the International Emergency Food Council has no legislative authority and never was given the authority to dictate our policy. It operates only as an advisory group. The report says in part:

The authority for participation by the United States in the Combined Food Board and the International Emergency Food Council is derived from the inherent constitutional power of the President with respect to foreign affairs. It should be noted that the International Emergency Food Council merely makes recommendations based upon information mutually supplied by its members. As the Chief Executive of the Nation, it is clear that the President has authority to confer and consult with representatives of foreign powers for the purpose of discussing mutual problems and obtaining information necessary to him in the performance of his duties under the Constitution and Federal statutes. The United States Supreme Court said in *United States v. Curtiss-Wright Export Corporation* (1936) (299 U. S. 304, 318, 319, 320) that the United States is vested with all the powers of government necessary to maintain an effective control of international relations, including, as a power inherently inseparable from the conception of nationality, the authority to make such international agreements as do not constitute treaties in the constitutional sense. The Court stated, moreover, that in the field of foreign affairs, "the President alone has the power to speak or listen as a representative of the Nation" and that although he makes treaties with the advice and consent of the Senate "he alone negotiates." It then affirmed the doctrine that in the field of international affairs, the President is the constitutional representative of the United States who manages our concerns with foreign powers.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Take additional time, because I would like to have the point clarified.

Mr. WOLCOTT. It was clarified fully in the minds of the committee.

Mr. SMITH of Ohio. It was not clarified, I may say, in my judgment.

Mr. WOLCOTT. I am sorry we have not been able to satisfy the gentleman on that. The gentleman brought this matter up in the hearings before the committee, and consequently we went into this matter very thoroughly and we thought we had satisfied him.

Mr. SMITH of Ohio. We did not get any satisfaction in the hearing. I have gone over this matter with some attorneys, and they have advised me that there is no actual authority for this.

Mr. WOLCOTT. Whether they have authority or not, they merely act in an advisory capacity anyway. They have no status in the law except to advise with the President and the President is given authority under statutory law to ration and control the price of sugar.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. Boggs].

Mr. BOGGS of Louisiana. Mr. Chairman, I rise in support of the committee bill. I am quite sure that in the debate that has preceded me it has been pointed out to the Members of this body that this bill was reported out to the House only after full and complete hearings; that in our hearings all of the representatives of the Government, the industry and all of its branches, with two exceptions, to my knowledge, supported this legislation.

I do not believe that it can be intelligently argued or questioned that at the present time this Nation has a serious sugar shortage. I have the honor and the privilege of representing one of the districts in the State of Louisiana which produces a large quantity of cane sugar. As all of you know, there are only two States in the Union which produce cane sugar, those being the States of Louisiana and Florida, and Louisiana by far producing the greatest amount.

Following the last World War we had the experience in this country of the price of sugar skyrocketing. For the moment it was a temporary benefit and advantage to the producers of the great State of Louisiana. But it ultimately resulted in the bankruptcy of practically all of the producers and all of the processors, and, representing a sugar district, I would be the last person in the world to advocate the removal of these controls at this time. I do feel, however, that the committee has been very wise in setting October 31, 1947, as the date for the final termination of these controls. That date was arrived at only after careful consideration by the members of the committee. It is significant because at that time the beet harvest is well under way and the cane harvest has also progressed so that by October 31, 1947, we will know not only what the production will be domestically in the cane and beet areas, but we will also know what the production will be offshore. In addition to that, it accords to our local producers, whether they be in the cane or beet areas, what little advantage of cost or price increase may accrue as the result of the removal of controls.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I am very glad to yield to the gentleman.

Mr. ANDERSON of California. I have listened with interest to the remarks of the gentleman about the termination date being the 31st day of October. In the event it turns out that the increase in the supply of sugar is not brought about by that date and it would be found desirable to continue controls beyond that particular time, does not the gentleman feel that some provision should be made in this bill because of the fact that at that time Congress will not be in session and could not act?

Mr. BOGGS of Louisiana. No; I do not think I would go along with the gentleman on that because if you refer to the hearings you will find I asked that very question of a number of witnesses who appeared before the committee and it is just as logical to argue that controls should be continued through 1948. By October 31, 1947, we will know definitely what our sugar supply is. So I feel that Congress wants to remove these controls, and the October 31 date is as logical a

date as March 31, the date which has been suggested by some people.

Mr. Chairman, I should like to commend particularly the chairman of our committee, the distinguished gentleman from Michigan, who conducted these hearings in his usual fair way. All of the interests were permitted to be heard. I believe this bill comes before the House today by and large with the unanimous support of the committee.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. LEWIS. Why can we not end the controls on the 31st of this month?

Mr. BOGGS of Louisiana. To end the controls on the 31st of this month, that is, the 31st of March, would be a very dangerous thing because we now know exactly what our sugar supply is for this year, 1947. If you will refer to the report on this bill you will find that we are several million tons short of the demand. If we remove controls next week, which would be the end of this month, we would have such a scramble for the available supplies of sugar that the housewives who need it most would not get it and the big industrial users who have the advantage of being able to bid up the price and who have the greatest funds would get all the sugar in the United States.

Mr. PHILLIPS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. PHILLIPS of Tennessee. Does this bill make any provision for the housewives during the canning season?

Mr. BOGGS of Louisiana. I think it does.

Mr. PHILLIPS of Tennessee. What provision or section guarantees that any housewife will get additional sugar at the time she needs it most?

Mr. BOGGS of Louisiana. I am not familiar with that particular section or provision, but I do know, first, that the allocation of sugar to the housewives has been increased for the next two quarters which is the period for which this bill extends controls. In addition, there was a great deal of testimony before the committee on that particular subject. However, the chairman of the committee or the gentleman from Kentucky [Mr. SPENCE] might be better prepared to answer that particular inquiry.

Mr. PHILLIPS of Tennessee. Did I understand the gentleman to say that there was no real shortage of sugar? And if there is no real shortage of sugar, why should we have these controls extended?

Mr. BOGGS of Louisiana. No; I did not say there was no real shortage of sugar. I said, in my opinion, on October 31, 1947, ample supplies of sugar would be in sight but at the present time when the 1947 and 1946 crops have been harvested or already in warehouses in this country and the allocations to foreign countries have been made, there is a shortage of sugar.

Mr. PHILLIPS of Tennessee. Did the gentleman read the statement in the Herald Tribune on March 7, 1947, which

said that the Department of Agriculture stated there was no shortage of sugar?

Mr. BOGGS of Louisiana. No. But that was not the testimony of the Department before the committee.

Mr. Chairman, I trust this bill will be adopted without amendment.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Chairman, I feel that we should decontrol sugar as soon as we possibly can so that the law of supply and demand will again operate with this commodity. Of course the best time to decontrol is when we have an adequate supply. Our committee heard many witnesses who have studied the sugar situation all over the world for years and I listened attentively to their testimony. I feel the most valuable witness was our able colleague the gentleman from Michigan [Mr. CRAWFORD] who during the last 12 months has visited every sugar-producing country in the world north of the Equator and probably knows as much about sugar as anyone in the House. His argument that October was the best time to remove controls carried great weight with me. He said that the crop from the continent of the United States would be available by that time and the Cuban crop would be available the following January to June. By announcing that time as termination date the beet-sugar growers of this country can go ahead this spring and summer and increase their acreage so that around that time of year we should have as good a supply as we are ever likely to get.

We put a provision in this bill to have the Department of Agriculture continue inventory controls until March 31, 1948. This was for the purpose of preventing large industrial users from stocking up before controls go off or right afterward.

I feel that whenever sugar is decontrolled the price will undoubtedly go up and our problem was to set the date of decontrol at the time of year when we would probably have the biggest supply available, in order to prevent too drastic a rise. Last year when jellies, jams, pastry, and so forth, were decontrolled the price, of course, went up and as a result the housewife is now paying between 25 and 30 cents a pound for the sugar going into those products when she buys them. The sugar-using products that the housewife buys account for about half the families, total consumption. So even if the housewife has to pay more for the sugar she buys from the grocer she will undoubtedly pay less for sugar used in the manufactured products and she will be in a position to put up her own jellies, jams, fruits, and so forth.

Generally speaking, the sooner we can have a free market and get the readjustment over with the better and the more likely we are to have an adequate sugar supply. For that reason I support this bill.

(Mr. KILBURN asked and was given permission to revise and extend his remarks.)

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. KUNKEL].

[Mr. KUNKEL addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. KUNKEL asked and was given permission to revise and extend his remarks.)

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Chairman, I do not favor price or rationing control in a peacetime economy. This bill, however, in my opinion, is legislation to decontrol prices and rationing and, therefore, I support it.

This bill provides for the elimination of OPA, and for the first time we have set a definite, positive, fixed date upon which this commodity shall be decontrolled. That date has been fixed as of October 31, 1947, because at that time, we will know exactly what amount of sugar will be available for 1948. In addition, consumption will be at a minimum and production at a maximum. The possibility of speculation and exorbitant prices will be remote.

But the important thing, I repeat, Mr. Chairman, is the announced policy of decontrol.

(Mr. TALLE asked and was given permission to revise and extend his remarks.)

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, I call attention to the provisions of this bill contained on page 9, beginning with line 16, reading as follows:

Such personnel as the Director of the Bureau of the Budget determines to be required may also be transferred temporarily to the Department of Agriculture pending termination in whole or in part of the powers, functions, and duties transferred by subsection (a) of this section.

I call your attention to the fact that as the bill is presently written it violates the provisions of the Veterans' Preference Act of 1944. This question is raised in a telegram that I think many of the Members have received from Col. John Thomas Taylor, legislative representative of the American Legion, which reads in part as follows:

Language of resolution would transfer employees from OPA to Department of Agriculture temporarily. Use of word "temporarily" destroys protection of veterans employed by OPA who would be transferred to Agriculture which protection contained in Veterans' Preference Act of 1944. Would appreciate your cooperation to ascertain that language of resolution is amended so veterans' preference is preserved for each war veteran involved in transfer.

I discussed this matter with the Legal Division of the Civil Service Commission, and it is their opinion that the word "temporarily" in this resolution would empower the Department of Agriculture to eliminate the employees who were transferred from the Office of Price Administration without competition with employees now or hereafter employed in

the Department of Agriculture. The belief, in which I concur, is that the above provision would nullify the following language of the Veterans' Preference Act, section 12:

And provided further, That when any or all of the functions of any agency are transferred to, or when any agency is replaced by, some other agency, or agencies, all preference employees in the function or functions transferred or in the agency which is replaced by some other agency shall first be transferred to the replacing agency, or agencies, for employment in positions for which they are qualified, before such agency, or agencies, shall appoint additional employees from any other source for such positions.

The intention of Congress in this provision of section 12 of the Veterans' Preference Act was to insure the protection of the employees with veterans' preference who were transferred from one agency to another by virtue of the fact that the functions and duties of that particular agency were transferred to another agency. Under the present language the Department of Agriculture would be able to eliminate all of the employees transferred from the OPA, regardless of their veterans' preference or other rights as civil-service employees.

When the proper time comes I shall offer an amendment to protect the veterans' preference rights under the Veterans' Preference Act of 1944. I have prepared an amendment which will, at the end of this section, line 23 on page 9, add these words:

Provided, That nothing in this section shall in any wise be construed to violate any of the provisions of the Veterans' Preference Act of 1944.

I think the members of this committee are as anxious to see that veterans' rights are protected as they were when they passed the Veterans' Preference Act of 1944. I trust that when the time comes for the consideration of this amendment I may secure the unanimous approval of this committee. I should also add that this matter was discussed in a meeting of the Committee on Post Office and Civil Service. It was agreed by the members present that an amendment should be submitted to this legislation to provide for proper protection of veterans' rights under the Veterans' Preference Act of 1944.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. REES. I am glad to yield to the distinguished chairman of this committee.

Mr. WOLCOTT. I might state that it was not the intent of the committee or any member of the committee that I know of, to in any manner interfere with the civil-service status of any employee. The word "temporary" was used solely in respect to the length of his employment in that particular department. It was explanatory of the fact that we were setting up these controls temporarily and that did not change in any manner the status of the individual.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. REES] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman three additional minutes.

If there is any question about it, I make the suggestion that the gentleman broaden the language of his amendment to include the assertion that this language shall in no manner affect the civil-service status of any employee so transferred, because I am afraid if we say it shall not change the veteran's preference status, by saying that, we might indicate we are changing the status of other employees in other respects.

Mr. REES. To do that you could strike out the word "temporarily."

Mr. WOLCOTT. No, no; because we do not want those employees transferred permanently to the Department of Agriculture.

Mr. REES. I can see what is in the gentleman's mind. I believe my first proposal is the proper one to follow.

Mr. WOLCOTT. We want to make it clear that the status is not changed so long as they are temporarily working for the Secretary of Agriculture, but when he gets through with them they may either be transferred back to the OPA, if OPA is in existence, or transferred to other agencies, or, under the Civil Service rules and regulations, I presume they could be transferred permanently to the Department of Agriculture. But under the provisions of this law they cannot be transferred permanently to the Department of Agriculture. We save the Civil Service Commission in any prerogatives or rights that they may have under the Civil Service law to protect, in full, the status of civil-service employees. This word "temporarily" has nothing whatsoever to do with the status of the employee. It has to do with the length of his employment.

Mr. REES. The thing in which I am deeply interested is this, that when a veteran is transferred under the terms of this measure to the Department of Agriculture, that veteran should have the right, as is required under the Veterans' Preference Act, to compete with any other employee in the Department of Agriculture holding a similar position, in the event of reduction in force. He should have the right of veterans' preference preserved if he is transferred to the Department of Agriculture. You should not hold him out separate from other groups.

Mr. WOLCOTT. Let me ask the gentleman this question: Should a veteran who is now working in OPA have the right, in his present status, to compete with those in the Department of Agriculture, in a comparable status?

Mr. REES. As an employee in the Department of Agriculture, certainly he should have that right. He becomes an employee of the Department of Agriculture and has such rights as accrue to him as an employee of that Department.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. DOMENGEAUX].

Mr. DOMENGEAUX. Mr. Chairman, there is no doubt in my mind that every man in this Congress today desires to bring about decontrol of sugar as soon as it is safe and proper to do so.

I represent probably the largest sugar-producing area in this country. The question to my mind is when should this be done. My area of south Louisiana also produces an enormous amount of rice. We were very much chagrined when the President continued control on rice and sugar. We thought we were being discriminated against. But after deliberation and thought, it was inevitable that we come to the conclusion that sugar controls should continue, because of the short supply that existed. We do not want a repetition of what occurred after the last war, where every sugar planter, processor, and refiner was virtually bankrupt, and failures were wholesale. We do not want prices to skyrocket like they did during that period. But we do want sugar controls to go off as quickly as possible.

The October 31 date as written in the bill by the committee to my mind is a very reasonable and logical one.

Mr. RAMEY. Mr. Chairman, will the gentleman yield?

Mr. DOMENGEAUX. I yield.

Mr. RAMEY. I am seeking information only, and I may say to the gentleman that I am not a member of his committee. We in my section of Ohio are very much interested in the peach crop. We are consumers of peach crop, and I am wondering if additional rations for canning purposes are being considered.

Mr. DOMENGEAUX. I am not a member of the committee either, I may say to the gentleman from Ohio, but I am informed that such testimony was given before the committee. I was not present myself and cannot testify.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. DOMENGEAUX. I yield.

Mr. SPRINGER. May I say to my distinguished colleague that Subcommittee No. 4 of the Judiciary Committee has been hearing evidence under the Second War Powers Act. That has been completed. The gentleman mentioned something about rationing a little while ago. We had a very distinguished gentleman who testified before our committee and from the statements he made there seemed to be no necessity for continuing rice under the controls it has been held under heretofore. I would like to have the gentleman give an explanation on that subject if he will.

Mr. DOMENGEAUX. I think that is a correct statement, because production of rice in the United States today is 50 percent more than its normal consumption and export to its normal markets such as Puerto Rico and Cuba. The only justification for rice control at the present time in my opinion is possibly export control, but not domestic control, because such domestic control would prevent a maximum development of such markets.

Mr. SPRINGER. Does the gentleman feel that it is necessary that the export control be continued?

Mr. DOMENGEAUX. Yes; I do, and that seems to be the unanimous opinion of the producers, processors, and millers of rice in my section of the country.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. DOMENGEAUX. I yield.

Mr. BOGGS of Louisiana. The same question was directed to the gentleman that was directed to me a few moments ago in my remarks about sugar for the housewife. If the gentleman will refer to page 8 of the committee report he will note that the sugar ration for this year, 1947, has been increased approximately 10 pounds per person over what it was last year, which means approximately 30 or 40 pounds per family.

Mr. DOMENGEAUX. I think that is correct. It simply shows that sugar supplies are improving day by day in this country.

Mr. ROBSION. Mr. Chairman, will the gentleman yield?

Mr. DOMENGEAUX. I yield.

Mr. ROBSION. Does the gentleman think we would have more or less sugar if we did not pass this bill?

Mr. DOMENGEAUX. I do not believe the question of control or decontrol would either increase or decrease production. There is no incentive situation involved in this decontrol measure; but it will do this, it will put back the operations to a normally competitive market which I think will give a better flow of the sugar which is available.

Mr. ROBSION. That will be after October.

Mr. DOMENGEAUX. After October 31, 1947.

Mr. ROBSION. Would the provisions of this bill permit any greater quantity of sugar to be shipped to foreign countries?

Mr. DOMENGEAUX. No; it would not, and as a matter of fact none of our domestically produced sugars have ever been shipped to foreign countries.

If I may continue, I am gratified to see the committee bring out this bill decontrolling sugar as of October 31. Without wishing to be presumptive, it carries with it the major provisions which were contained in House Joint Resolution 115, which I introduced earlier. In my bill there was provision that sugar be decontrolled on October 31 and it also contained inventory controls, the transfer of powers to the Secretary of Agriculture, and a provision allowing new users to participate in sugar supplies.

The question of timing is paramount and important in the question of the decontrol of sugar, and it is proper that October should be that date because October is the statistical date that is employed and has always been employed in the sugar markets. It is also the date when the annual estimates of sugar are established and determined. It is the date when the estimates as to beet and cane sugars from Louisiana, Florida beet areas, Cuba, Puerto Rico, Virgin Islands, and Hawaii are determined. It would be the most ridiculous thing in the world to me to see sugar decontrolled at any other date than September or October, because if you carry it on beyond the year it would only mean this: The Louisiana people who produce sugar and who

market their sugar from November on would certainly retain their sugar and not put it on the market, with the result that it would contribute to a short supply. The same would result from other areas who normally market before such date. The reasonable time to decontrol this sugar is before your producers put their sugars on the market, so that the legitimate increase, should any result at the end of October, would go to those people who are entitled to those increases, and they are the producers of sugar and not the speculators. We know that our anticipated consumption for 1948 will be approximately 8,000,000 short tons of sugar. We estimate the production for a similar period, from the mainland and beet areas, will be 2,200,000 tons; from Hawaii, approximately 800,000 tons; from Puerto Rico, 1,000,000 tons; and from Cuba, 5,500,000 tons—or a total of 9,500,000 tons.

Now, all of this sugar in the past, historically, belonged to the United States, and we used such sugars. Today, however, part of the Cuban crop becomes a part of the international arrangement. But the fact still remains that the anticipated production of sugar is going to be substantially larger than it has been in the past. There is an element of risk involved in the decontrol of sugar, and that element exists today; it will exist in October, it will exist in March, and it will exist next October.

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. DOMENGEAUX. There is always going to be an element of risk involved in the decontrol of sugar, and we might as well understand that there may be and probably will be an increase in the price of sugar. But I believe that after a very short time it will moderate itself and it will go back to normalcy, and it is only reasonable and proper that when the production is about equal to the requirements, that the great sugar industry in this country should have an opportunity to readjust itself in times like these, so that when hard times come, when production comes, they will have adjusted themselves into a normal market and will be in a better position to meet those problems.

Certainly, if sugar goes up a little bit, and I think it will, that is not unreasonable, because sugar today and always has been the cheapest commodity on the American market. You are paying about 9 cents for sugar today, and in comparison it has gone up very, very little to what other commodities have. Actually you could not produce sugar in this country under the market prices if it were not for the subsidies that are provided for by this Government.

So, I say that October 31 is the date on which sugar should be decontrolled. The other body has a bill which provides for the decontrol of sugar after March 31. That bill, I understand, will be taken up today or tomorrow. Certainly, I have no criticism of that but I do hope that they will see the situation as the House will and that they will join with us in meeting the date of October 31.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. DOMENGEAUX. I am happy to yield to my colleague.

Mr. BOGGS of Louisiana. The gentleman, coming from a large sugar-producing area, is thoroughly familiar with the sugar situation. Does he believe that the production situation will be any different on October 31 than it will be on March 31?

Mr. DOMENGEAUX. The gentleman is perfectly correct. There will be no difference. There can be no difference, because the production period is determined as of October 31. The situation, insofar as greater or lesser supplies are concerned, should change at all between the period of October 31 and March 31 of the following year.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. DOMENGEAUX. I yield to the gentleman from Virginia.

Mr. HARDY. Do I understand that the fixing of the date as of October 31 is predicated on a belief that the sugar situation, the supply situation at that time, will be substantially ample to take care of our requirements?

Mr. DOMENGEAUX. That is the general proposition. It is the estimate of anticipated production on that date.

Mr. HARDY. That anticipation is based on current production estimates?

Mr. DOMENGEAUX. That is correct.

Mr. HARDY. Is it not within the realm of possibility that there might be a serious curtailment in our production between now and October 31?

Mr. DOMENGEAUX. That is possible as to any commodity. There is an element of risk.

Mr. HARDY. That was my point. That being the case, how long prior to October 31 would it be possible to determine whether on October 31 we might be faced with a serious shortage?

Mr. DOMENGEAUX. That could be determined say 15 days previous, October 15.

Mr. HARDY. In such event, what action can the gentleman recommend?

Mr. DOMENGEAUX. That is the risk that is involved in any such operation as this.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. DOMENGEAUX. I yield to the gentleman from Louisiana.

Mr. BOGGS of Louisiana. Is it not a fact that the same risk would be taken if you adopted March 31, 1948?

Mr. DOMENGEAUX. There is no doubt about that.

Mr. BOGGS of Louisiana. So that you could make a case for continuing control of sugar.

Mr. DOMENGEAUX. There is no doubt about that. You would be constantly confronted with the same uncertainties that exist as of that date.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DOMENGEAUX. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Suppose on the 15th day of March 1948 Cuba, an independent republic, announces to the United States that it does not propose

to harvest any more sugarcane? What are you going to do on March 31, 1948? I submit to those who argue that date.

Mr. DOMENGEAUX. The price would go sky high and you would have little chance of supplying our requirements.

Mr. CRAWFORD. That could happen any time under a free economy?

Mr. DOMENGEAUX. Absolutely.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. MURRAY].

(Mr. MURRAY of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. MURRAY of Wisconsin. Mr. Chairman, first, I want to compliment this splendid committee for bringing in this bill.

Listening to the debate, I could not help but think about the efforts this committee made a year ago in bringing in their price-control bill, which later was vetoed by the President, because the principle involved here today is, as far as sugar is concerned, just one example of what this committee tried to do as far as all the many articles that were under control at the time. Therefore, I think this is an admission here among ourselves that we are going to take sugar and do the same thing as we tried to do in the bill of a year ago.

The reason I asked for this time, Mr. Chairman, is to clarify once more exactly what is going to happen in the conservation of one of our greatest foods. Great losses of a splendid food is taking place at this time. I am speaking of dried skim milk. I do not want to take your time to describe it any more than to say that it has something over 35 percent digestible animal protein. It is the cheapest food in the world today. Until 1935 its production for animal use and human use was not kept separately. One of the most constructive pieces of food conservation that took place during this war took place in the diversion of this dried skim milk from animal feeding to human use. In fact, by 1946, there were only 15,000,000 pounds going into animal feeding. The chances are a large part of that 15,000,000 pounds may have been spoiled during the process and might not have been fit for human consumption. Last year we produced 663,000,000 pounds of this wonderful product.

There has been plenty of criticism because no more effort was made to conserve the food value of the millions of bushels of potatoes that were wasted. Many people feel that more effort should have been made to recapture the food in this potato crop and divert those potatoes to human consumption. Facing, as we do today, a large increase in the production of certain manufactured dairy products, which means an increase in the production of this powdered skim milk, we are going to face throughout the next few months a more serious problem than we ever had before. What I am addressing myself to is the importance of providing sugar so that we can conserve as large a quantity as possible of this skim milk that is going down the drain in the thousands of tons and is liable to go from now on during the flush season.

So that we may have it right in the record, once and for all, may I ask the distinguished chairman if he feels in his own heart and in his own mind that this skim milk is having the consideration that it should have, and if he feels that every effort will be made to conserve this great food?

Mr. WOLCOTT. If the intent of the committee in this legislation is carried out, that matter would get all of the consideration which it deserves, taking into account its importance in relation to the over-all program. We found it rather difficult in laying out this program to set aside any certain percentage of our sugar stock for any particular use. As I said, we must give the administration of this law to somebody, and we thought if it was given to the Secretary of Agriculture he would give more sympathetic consideration to the use of sugar for the preservation of foods than at present. So we have made it very clear. It is the intent of the committee, and we should make it clear now that it is the intent of the Congress, that in the allocation of sugar in respect to so-called hardship cases or the cases of new users, that the Secretary of Agriculture in carrying out the provisions shall make reasonable provision for meeting the needs of users of sugar in case of hardship. You note we use the word "shall" which means that it is mandatory.

Then we stress the fact that we intend he shall make larger quantities available for the preservation of milk, including cases where sugar is needed to avoid the wastage of milk or other food products. We mention milk here specifically along with other food products, giving emphasis to the necessity for the allocation of sugar to prevent the spoiling of millions of gallons of food in the form of milk which might otherwise be preserved for our use and the use of people all over the world.

Mr. MURRAY of Wisconsin. I thank the gentleman. I think every one of us realizes that with the huge appropriation being made in connection with our food program in our country and all over the world we must be careful that we recapture and preserve all the food that we produce rather than come to Congress for a \$100,000,000 for this and a \$100,000,000 for that in the name of agriculture. At least, we ought to make some concerted constructive effort to conserve the food that is produced and not allow it to be continually wasted.

Mr. ROBSION. The gentleman who is addressing the House is a very able member of the great Committee on Agriculture, and as I understand it he favors this bill. Does the gentleman favor the bill?

Mr. MURRAY of Wisconsin. Yes, sir.

Mr. ROBSION. In what way will that help the American housewife or other consumers of sugar?

Mr. MURRAY of Wisconsin. It can be made to help the housewife. I do not know of any way that we can properly get out from under these controls except gradually as we voted to do a year ago. That is the reason why we must submit

to certain controls and must submit to a control over exports for a while longer.

Mr. ROBSION. And under this bill the controls are extended to October 31.

Mr. MURRAY of Wisconsin. Yes. By October 31 we should know pretty well what the sugar production of this country is going to be. We should have a pretty good idea of it.

Mr. ROBSION. The gentleman is telling us that this bill is necessary and essential in the interest of the American housewives and canners and other consumers of sugar?

Mr. MURRAY of Wisconsin. I am. I think if it is properly handled and if the sugar is used for the right purpose, it is the very best measure that we can have at the present time.

I yield to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. The gentleman has correctly observed that by October 31 we will know the production of sugar in the United States for this current calendar crop year. Likewise, we will know the production in Europe and all the sugar-beet fields in the world by October 31.

Mr. MURRAY of Wisconsin. Yes.

Mr. CRAWFORD. We will also know what Cuba will have produced from the cane now going to the mills and thus settle this question of the 654,000 additional tons which it was announced in this country it is expected that the Cuban sugar production will be over and above all estimates previously made in the last 60 days by the Government.

Mr. MURRAY of Wisconsin. I thank the gentleman. It has long been recognized that the gentleman from Michigan [Mr. CRAWFORD] is one of the Nation's greatest sugar authorities. I am pleased to find he is in support of this legislation.

The following data and comments are submitted at this point.

DRIED SKIM MILK

Mr. Chairman, dried skim milk is a food product that never has and apparently is not now sufficiently appreciated. This product has a content of 35.6 percent of good digestible animal protein.

When one realizes that meat has but from 15 to 20 percent digestible protein, it is apparent why every effort should be made to save every pound of dried skim milk and use it for human consumption.

The Agriculture Department recently placed a floor price of 10 cents per pound on the product. Even the OPA in its wisdom provided a 14½ cents per pound ceiling price.

Skim milk plus millions of bushels of wasted potatoes could have been used for concentrated soups. Today additional sugar should be allocated so that skim milk could be canned in the form of condensed sweetened skim.

Why waste foods after they have been produced. Why appropriate millions to encourage additional food production if our agencies are not conserving and processing the good foods already produced.

The following is a table showing both the amounts of dried skim produced and the diversion of dried skim from animal feed to human food.

Nonfat dry milk solids production, United States, 1918-46

[1,000 lbs.]

Year	Spray, human	Roller, human	Total, human food	Dry skim, animal feed	Total, human and animal
1918.....					26,202
1919.....					34,945
1920.....					41,893
1921.....					38,546
1922.....					40,617
1923.....					62,251
1924.....					69,219
1925.....					73,317
1926.....					91,718
1927.....					118,123
1928.....					147,996
1929.....					207,579
1930.....					260,675
1931.....					261,938
1932.....					270,194
1933.....					288,114
1934.....					294,935
1935.....			187,531	109,975	297,506
1936.....			223,827	125,723	349,550
1937.....			244,511	127,692	372,203
1938.....			289,121	160,170	449,291
1939.....			267,860	140,520	408,380
1940.....			321,843	159,962	481,805
1941.....			366,455	110,042	476,497
1942.....			565,414	61,148	626,562
1943.....	245,590	264,024	509,620	24,279	533,899
1944.....	266,448	316,464	582,912	16,407	599,319
1945.....	¹ 298,741	¹ 345,004	¹ 643,745	¹ 17,602	¹ 661,347
1946.....	² 351,800	² 286,460	² 638,260	² 15,525	² 653,785

¹ Preliminary enumeration.

² Estimates, subject to revision.

Official table from the Bureau of Agricultural Economics.

The product is used in the baking industry and for the manufacture of ice cream and candy. In condensed form as well as in dried form the product has been combined with cream and reconstituted and used as fluid milk in many areas during the past few years.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. VAN ZANDT].

(Mr. VAN ZANDT asked and was granted permission to revise and extend his remarks.)

Mr. VAN ZANDT. Mr. Chairman, I rise at this time to support House Joint Resolution 146 and in doing so wish to compliment the House Banking and Currency Committee for an honest effort to solve the sugar problem.

There is no issue more confused or more difficult to understand than the scarcity of sugar.

During the past week end, when talking to an industrial sugar user in Altoona, Pa., he convinced me that practically everyone but the American people can obtain an adequate supply of sugar. He read a letter that he received from a broker in New York City containing the following statements:

How are you fixed up on cocoa butter, milk chocolate in bales, or Brazilian bitter chocolate in bags or cases?

Then he read this statement:

Imports of sugar candy and confections from all countries to the United States rose from 1,166,000 pounds in 1942 to 62,575,000 pounds in 1945.

He concluded his discussion by informing me that during a recent visit to the post office he was told that a 5-pound package of American granulated sugar that a resident of Sweden sent to a relative here in the United States, was awaiting delivery until the necessary ration stamps could be given to the

Post Office Department. In other words, American-processed sugar sent to Sweden was returned to the United States to a relative.

Foreign manufacturers of cocoa butter and milk chocolate requiring sugar seem to have no difficulty in producing chocolate containing sugar. In general, foreign manufacturers have no difficulty in making sugar candy and confections and sending them to the United States. Foreign citizens have no trouble getting sugar from the United States and then returning it to relatives in this country. Is it any wonder the American people are bewildered and confused?

American housewives have been too patient and have accepted so many flimsy excuses that it is time we have an honest allocation of sugar supplies with the insistence that the United States receive an adequate amount of sugar for the needs of the American people.

The House Committee on Banking and Currency is to be commended for establishing a date upon which sugar controls will terminate because until we get the Government out of the hair of the American people we are going to continue to be faced with confusion and chaos in handling the supply of sugar in the United States.

Mr. WOLCOTT. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, I asked for this minute in order to ask the chairman of the committee if he thinks it is intended that the hardship provision in the bill is intended to provide relief for retailers for their inventory to meet the impact of the increase in the stamp ration from 5 pounds to 10 pounds.

Mr. WOLCOTT. If there are any hardships created by increasing the value of the sugar stamp to the retail grocer, it is my opinion that the Secretary of Agriculture will have to give consideration to it, under the language of the bill.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself three additional minutes to answer the gentleman from Illinois.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. OWENS. At the time of the hearings the statement was made that we feel should be clarified so that the agency may know just how far it should go and what it is required to do insofar as setting up new businesses is concerned. Then it says particularly so since the effect of the new user's provision would be to increase the available supply of sugar for the industrial users. I would like to include the housewives and everyone who uses sugar in that provision concerning new users, to have that clarified enough to let the housewives and industrial users know whether they are going to be deprived of sugar which they previously had.

Mr. WOLCOTT. I do not think there should be any question about this. This will be enough with respect to that. In making available sugar for new users, the Secretary of Agriculture is not lim-

ited by too rigid standards or even suggestions in the act, except that we do compel him to make available some sugar for new users. It may be assumed that if it develops that the Secretary should make available, for example, 10 percent of any increase to new industrial users, then the present industrial and commercial users, will have to have 10 percent taken from the increase. So that if there is an increase of 15 percent to the industrial user, as I believe it is contemplated, and it develops that the new users must have 10 percent of that increase, then the new industrial and commercial users will have 10 percent of the increase deducted from the 15 percent. I have gone a long way around to explain the situation but I think that would inevitably happen, but it would not be taken from the allocation which they have at the present time. It would be taken from the increase over any allocation they now have.

Mr. OWENS. That makes it very plain.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, although I do not like continued governmental controls and hope they can and will be eliminated just as rapidly as is consistent with safety, I have become convinced that the temporary continuance of control over the supply of sugar is necessary in order to give the housewives of this country something like an adequate supply at a reasonable price. My fear is that if we do not support this measure we will find in short order that all our sugar will be gobbled up by industrial users or at least its price will be inflated by the volume consumers to such a point that the housewives cannot buy it or will have to pay a price way out of all reason. With some reluctance therefore I plan to support this legislation.

I do want to ask a question of the distinguished chairman, however, with reference to the very last paragraph of the bill because I think it is not desirable, unless absolutely necessary, to extend governmental control over anything that is not now covered. In the first place, are these liquid sugar, sirups, and molasses and sugar-containing products mentioned in this paragraph now covered by controls, and if they are not, what is the reason for bringing those allied products under this bill?

Mr. WOLCOTT. They are covered at the present time. I suggest that the gentleman not to be confused by the use of the word "saccharin" in line 3. That is not the saccharin that you buy in a drugstore in bottles, which is not made from these products.

Mr. KEATING. I have been informed by certain industrial users in my district that the present price control is only over sugar derived from sugar cane and sugar beets. Is that in error?

Mr. WOLCOTT. We cannot add new products under the language of the bill. We could not bring other commodities under control which were not under control on February 18, 1947, which is an arbitrary date. On page 6, if the gen-

tleman will refer to his work copy of House Joint Resolution 146, we provide:

That the power contained herein shall not be deemed (1) to permit the allocation or rationing of any product (other than the allocation of such product imported or brought into the continental United States) unless a regulation providing for allocation or rationing thereof was in effect on February 18, 1947.

So this bill could not be interpreted as broadening any authority which was not in operation on February 18, 1947, in respect to use, rationing and price control which existed on that date.

Mr. KEATING. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from New York has expired.

(Mr. KEATING asked and was given permission to revise and extend his remarks.)

Mr. WOLCOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. TWYMAN].

Mr. TWYMAN. Mr. Chairman, I rise to commend the gentleman from Kansas [Mr. REES], chairman of the Committee on Post Office and Civil Service, for having called attention to the word "temporarily" on page 9, line 18, and to ask that this committee give favorable consideration to the amendment which I understand the gentleman from Kansas intends to offer.

I want you to know that our committee heard both sides of this question. We came to the conclusion that we should be concerned with the protection of the veterans who are going to be involved by reason of transfer to the Department of Agriculture. I think everyone here appreciates that these men should have the same standing as those presently employed by the Department of Agriculture when it comes to be necessary to reduce the force. We understand that this whole provision of the extension of controls is temporary. We do not believe those men should be sacrificed by the inadvertent use of this unfortunate word "temporarily." I do hope that favorable consideration will be given to the amendment when it is offered.

Unless the word "temporarily" is eliminated from this bill a serious injustice may be done to a large number of veterans who are transferred as a result of the passage of this act. I feel that we should carry out the provisions of the Veterans' Preference Act. I am glad the American Legion and other veterans' organizations were alert and brought this to the attention of the House Committee on Post Office and Civil Service.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. FLANNAGAN].

Mr. FLANNAGAN. Mr. Chairman, I rise primarily for the purpose of asking the chairman of the committee a few questions.

Mr. Chairman, I think the sugar rationing program created more resentment among the American housewives than any program ever inaugurated. Take the situation down in my district. During the canning season the housewife could go to any country store and find plenty of soft drinks, plenty of

candy, and yet she could not find the sugar to can the fruit that was going to waste.

I believe some provision should be made to give American housewives sufficient sugar to can her fruits and berries. I wish to ask the chairman of the committee if provision (b) on page 7 providing for hardship cases would take care of the American housewives during the canning season?

Mr. WOLCOTT. If there were going to be food wastage at that time, as there of course would be if she were not given reasonably adequate supplies, then I think under the language of the bill and the interpretation expressed in the report, the Secretary of Agriculture would have to give consideration to those cases as hardship cases. The language we have used in the committee report would indicate our intent in that respect.

Mr. FLANNAGAN. It would indicate the intent of Congress to give additional sugar to the American housewives during the canning season provided under the allotments made to them, they could not obtain sufficient sugar to can their fruits and vegetables to tide them over to the next canning season.

Mr. WOLCOTT. Under the language of the bill and under the language in the committee report, the Secretary of Agriculture must give reasonable consideration to the alleviation of those cases if otherwise there is likely to be a wastage of food products.

Mr. FLANNAGAN. There was a tremendous wastage of food products during the last canning season, I think, not only in my district, but all over the country. A lot of food went to waste due to the fact that the housewife could not get the sugar with which to can.

I would like to ask the ranking minority member if the interpretation given by the chairman is his interpretation of the language.

Mr. SPENCE. I think it is a reasonable interpretation.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, may I say to the Members of the House that I take this time to ask the chairman of the committee a few questions, and preliminarily to asking those questions may I say that subcommittee No. 4 of the Committee on the Judiciary has been holding hearings on the Second War Powers Act, which includes also title III of that act which relates to allocations and priorities under which practically all of this sugar rationing and allocations has been handled. At this moment, and before we complete the executive sessions of that committee, and in rewriting whatever will be rewritten with respect to the Second War Powers Act I would like to ask the chairman of the committee two or three questions, if I may have the gentleman's attention at this time.

I note under the bill which is before the House, Mr. Chairman, that it provides that notwithstanding any other provisions of law, title III of the Second

War Powers Act of 1942 and the amendments thereto, and title XIV of the Second War Powers Act of 1942, are eliminated, apparently, by this bill. The question now comes under title III of the Second War Powers Act as to whether or not that title should be extended insofar as allocations and priorities are concerned with respect to sugar or whether or not this pending bill, if passed, will fully cover and take care of everything with respect to the allocation of sugar with the present shortage? I would like to have a definite answer on that subject, if I may.

Mr. WOLCOTT. Upon the effective date of this bill, all the powers necessary to ration sugar will be in effect, because this bill continues the provisions of title III and title IV of the Second War Powers Act of 1942, insofar as they relate to sugar. Therefore, since the bill would continue the sugar-rationing-authority provisions of title III of the Second War Powers Act of 1942 it would not be necessary to continue them by other legislation.

Mr. SPRINGER. In other words, as I understand, if this pending bill is passed it will be wholly unnecessary for any extension under the Second War Powers Act, or the allocations provided thereunder with respect to sugar; is that correct?

Mr. WOLCOTT. It would not only be unnecessary, it would be quite redundant.

Mr. SPRINGER. Another question, if I may be permitted. As I understand, with the passage of this act, it will not interfere in any way with the allocation of sugar under Rationing Stamp 11; that is, those who have possession of the stamp will be entitled to receive 10 pounds of sugar rather than 5 pounds of sugar, and this act will not tend to affect that allocation in any way whatever. That notwithstanding the provisions of the pending bill the housewives will be entitled to receive 10 pounds of sugar on Stamp No. 11, and those following.

Mr. WOLCOTT. That is my understanding. As a matter of fact, we hope it will not be necessary to print any more stamps. The commitments we have made are transferred to the Secretary of Agriculture.

Mr. SPRINGER. I wish to thank the chairman for that information and those answers. This information will be very helpful to Subcommittee No. 4 of the Judiciary Committee. What we desire, and that which I seek to secure, is an ample allocation of sugar for household use throughout our country and an ample amount of sugar for canning purposes. We must aid in saving the fruit for use in every home in our Nation.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 8 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, when the gentleman from Illinois [Mr. SABATH] spoke on the rule the other day he said:

I am pleased because some of the gentlemen who are members of this committee and others used to charge that all of the legislation enacted by the so-called New Deal is bad and vicious.

Then he expressed his pleasure over the fact that controls on sugar were being continued.

Controls on sugar may be continued, but there is certainly no pleasure in it and it is not being done because the war-time controls were a good thing. We are having sugar trouble today because of the sugar policy followed by this Government over the last 25 or 30 years. It is because we have not produced sufficient sugar domestically. Whenever we are dependent upon foreign producers for a greater portion of any commodity we will be in trouble in time of national emergency and in time of war.

Few people realize that before the war an American farmer who wanted to produce sugar beets, even though his land was adapted to it, could not get that right. That situation still exists so far as long-range planning is concerned. Our sugar troubles began a long time ago. The situation we are facing today started back when the quota on Philippine sugar was removed in the passage of the Underwood tariff. Up until that time a limit of 400,000 tons on the importation of sugar from the Philippines had been maintained. It was taken off in the Underwood tariff. American, Spanish, English, and Dutch capital then moved into the Philippines. The islands became a one-crop economy, perhaps to their hurt. The imports into this country continued until they exceeded 1,000,000 tons. In the meantime the American sugar industry got in a bad way, it was chaotic. They came to the Congress and asked for relief, and we had the Jones-Costigan Act, and later on the Sugar Act under which we are now operating, which put a quota on the production of sugar. Congress said that American farmers could have only a small portion of the sugar market in the United States. We were in that sort of an economy and subject to that sort of control when the war came along. Henry Wallace went up and down the country advocating the discontinuance of our domestic sugar industry.

The people in the territory that I have the honor to represent want to produce more sugar. They have land and water adapted to it. We could easily supply sugar beets for four or five more sugar factories, but the Sugar Act must be removed first.

This Congress in the last session passed the Philippines Trade Act. We established a precedent and said that the Philippine Islands shall have in the post-war future the same share of our domestic market as they had before. This means that all the other off-shore producers, whether Cuba, Puerto Rico, South America, or other foreign countries, are going to insist that they be not cut down. It means a program of only a small portion of our sugar being produced in the continental United States. It is wrong and unwise.

There is something that can be done so we will not always be threatened with a sugar shortage and high prices, and I hope the Committee on Agriculture can keep it in mind when they revise the Sugar Act. We should limit these off-shore producers of sugar to the number of tons of sugar that they produced for

us in the prewar days. I would go further, but we should limit them that much at least. This means that any additional sugar that we need here by reason of increased per capita consumption should be produced by the American beet and cane producers. It means also that the sugar needed to feed our increased population should be produced here at home. The population has increased from 120,000,000 at the time this program was formulated to approximately 140,000,000 at the present time. You are facing a sugar problem today because we have not been self-sufficient in regard to sugar.

Mr. COLE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Kansas.

Mr. COLE of Kansas. I was very much interested in what the gentleman said particularly in the beginning of his statement. I call the gentleman's attention to the statement I made awhile ago, that this is not a sugar control bill, it is a bill to de-control sugar. The timing element is important.

Mr. CURTIS. Yes; but when you de-control under this bill you still have the Sugar Act and you still have the Philippine trade bill. You gentlemen who served in the last Congress will recall how the Committee on Ways and Means voted to cut the quota for producers of sugar in the Philippines. This would have helped our domestic producers of sugar and it would have helped the Philippines by preventing their return to a one-crop economy. An attack was made on that action. Editorials were published, and the State Department carried on a campaign, and that action was later reversed.

We have started off again on a program of depending on offshore producers for our sugar. The answer to our sugar problem is more production of sugar within the continental limits of the United States.

Mr. Chairman, with millions and millions of people starving throughout the world, why should rich Uncle Sam go into the markets of the world and buy any food and bring it here? We can best serve the world from an altruistic standpoint by producing our own food. The American market belongs to the American farmer. The Committee on Agriculture should write a sugar program that will provide for the maximum domestic production of sugar. Our increased production of sugar beets in the irrigated West will be welcomed and in the interests of the country.

(Mr. CURTIS asked and was given permission to revise and extend his remarks.)

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

(Mr. CRAWFORD asked and was given permission to revise and extend his remarks.)

Mr. CRAWFORD. Mr. Chairman, we have had a clear-cut demonstration here this afternoon of how the President of the United States did relieve this body of mental and perhaps emotional stress and debate amongst ourselves when the President removed controls on numerous things without us having to pass upon them here on the floor of the House,

whether it be meat, butter, or anything else. If we had had to pass on those controls, we would have had the same kind of debate with respect to any particular commodity as we have had here on sugar this afternoon. So we can be thankful to the President of the United States because on his own initiative he removed certain controls following the November 5 election and thus took such matters out of the hands of this body.

Secondly, I am going to say something very bluntly here. I am going to talk to you as politicians, Democrats and Republicans. Do you want to decontrol sugar in an election year, a Presidential election year, on March 31 or June 30 or October 31? If you do, go ahead and do it. I am not going to vote for that kind of proposition. That is just about as blunt as I can say it. Many people would say, "That bird is certainly a low-down politician of the first order." I am just being practical about this and realistic about it.

Vote to decontrol sugar on March 31, 1948, and assuming your arguments here are reasonably correct in that the price of sugar is going to rapidly advance, then go home next spring and summer and face the housewives of this country and let them pull the hair out of your head if you have any left—I do not have much left for them to pull. You just try that. Vote to decontrol sugar on March 31, 1948, at the beginning of the heavy sugar consumer period of the year 1948 and as the crops are vanishing on the market and you will take the most encouraging step you ever took in your life to send sugar to .25 or 35 cents a pound, which the housewives of this country will probably have to pay. The time of decontrolling of any commodity is just as important as the matter of decontrol itself. Get that fixed in your minds. If you want to set the natural forces of an economy against the spirit of inflation and speculation, then decontrol as of the date the heavy consuming is over and as of the date the heavy production comes into the market. That is exactly the date selected by this committee, namely, October 31, 1947, and which date I favor.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. In just a moment. If you are not going to decontrol October 31, 1947, I am telling you now you had better not decontrol until 1949. How many of you want to keep controls on sugar until 1949? That is as plain as I can say it.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. GAVIN. What assurance can the gentleman give us that the other body will accept the date you have mentioned?

Mr. CRAWFORD. I am not responsible for the other body, and in no way do I speak for them. I simply point this out: If you will send to the document room, you will get the report of the committee in the other body, in which they have reported a bill. I have a copy of it before me, Senate Joint Resolution 58. In that they set March 31, 1948, as decontrol period. Why they set it at that date God only knows.

I am not speaking politically in that statement. I am speaking because every natural economic argument that can possibly be brought up by anybody—and I will challenge anybody on it—is against decontrol as of March 31. Let me show you why.

Mr. BANTA. That would be any year?

Mr. CRAWFORD. That would be any year. Here is the gentleman from California, or Oregon, or Washington, where sugar is produced; you put control on his farmers who start harvesting their sugar in July or August, and you hold that control until March 31, until they have sold all of their sugar; what assurance do you think he has got of coming back to Congress after a situation like that?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. CRAWFORD. When is your heavy consuming period on sugar? It runs from about April 1 until about November 1. That is when the people are drawing sugar for every use imaginable in this country in the biggest volume they can get their hands on.

What do you can after November 1, what do you preserve after November 1 of any consequence? Most of your candy for the Christmas trade has been made at that time and is moving into the channels of trade for Christmas distribution. Along about this time, March 15, you are at the lowest consuming period. Then about April 1 you are approaching the beginning of the heavy consuming period. November to April 1 is your low consumption. When do the sugar stocks go onto the market? They come onto the market starting in California in late August or September, and they move across toward the Atlantic seaboard—I am speaking of domestic sugar now—they come into the eastern area, and your heavy domestic continental production comes on in October, November, and December. Before those stocks are exhausted sugars begin to sweep in from Cuba, Puerto Rico, and the Virgin Islands. You are meshing the heavy flow with the low consumption, which says to the speculator, "You had better go slow on speculation, because you may have to carry that sugar a long time, with markets operating as they do sometimes." Your banker may call you up and say to you, "You had better unload some of that sugar. The price might break." The Federal Reserve Board says to the banks, "Do not supply too many credits for speculative loans at this particular time." So October 31 is the date you mesh your low consumption with high production, and dampen down the speculative spirits of your people. Now, go to March 31 again. Your low-consumption period is about past. You are moving into the high-consuming period. Your heavy production is coming to a close. Who holds the sugar, primarily, for the next 5 or 6 months? Cuba. Cuba can wring the purse strings of every housewife in this country during the period April 1 until September or October, when beet sugar is in heavy supply. If you want

to go through a summer like that next year, go ahead and do it, but you remember I told you you had better not do it.

Now, this bill says to the people of this country, "Put your sugar house in order." These controls go off next October 31. You will undoubtedly get one from the other body which says March 31. You will have to compromise somewhere or you will have to stand pat, so you had better look out for a roll call on this proposition and you had better make up your mind what you are going to do before you start voting. The committee report from the other body has put in some very strong language. Unless you know sugar you may get your feet tangled up in the bullrushes and get some hurs under your arm too. You have got every housewife in the United States wondering what you are going to do about these sugar controls. If I had my way about it as sugar administrator, I would take the tonnage of sugar that is allocated to the United States and I would say to the housewives of this country, "You are going to have a certain percentage of that." I would be quite liberal in that. Having decided the percentages which the housewives are going to get, I would allocate the balance of it to manufacturing consumers of this country, and I would not confer a proprietary right on any fellow, it does not make any difference what his historical background is. Mr. A has as much right to operate a business as Mr. B. I would not use the force of the Federal Government to set up Mr. B in business and confer on him any proprietary right exclusive of all of the others.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. JENNINGS. What the gentleman is saying, boiled down to one sentence, is that we had better pass this bill and not monkey with something the outcome of which we cannot foresee.

Mr. CRAWFORD. Yes. And I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. BUCK].

Mr. BUCK. Mr. Chairman, in view of all the circumstances, I favor the enactment of this legislation.

(Mr. BUCK asked and was given permission to revise and extend his remarks.)

Mr. WOLCOTT. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, my interpretation of this bill is that it will give the Secretary of Agriculture an opportunity to show that he is fair-minded in the adoption of a policy which should give the American housewife more sugar. On several occasions when he came before our committee he indicated that more sugar would be available this year. Of course, I went on record long ago as wanting a larger ration of sugar for everybody. I, for one, hope that he makes good his pledge in allowing the average housewife more sugar. Every family ought

to have at least 25 pounds more right off the bat.

If there was ever an instance of wastage of food it is certainly at the present time when the farmers and the rank and file of city folks are not able to utilize the food they have been able to gather and purchase by preserving it and do a number of different things with it for which sugar is vitally necessary. I, for one, hope the Department of Agriculture will be more fair in allocating and allotting sugar than the agencies which have been empowered with that duty heretofore. That is the reason I am going along with this legislation today.

Just after the last election a friend of mine of long standing took me by the lapel and said: "This Congress has an opportunity to satisfy and satiate the people of America in correcting this No. 1 fiasco that has been foisted upon the American people, the regulation of sugar."

As elected officials we have the chance now to correct this situation. Give the housewife more sugar and we will all be a lot happier.

There are some who feel this bill leaves too much control of sugar in Government hands. Actually there is just enough to keep big buyers from cornering all our sugar supply, at the same time giving the average civilian and the small businessman a chance to obtain an adequate amount.

The responsibility now rests upon the Secretary of Agriculture. He can give the American people a break if he wants to by assuring us all a fairer distribution of one of the most necessary of all food items, sugar.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, I sought this time to ask for some information from the chairman of the committee, the gentleman from Michigan [Mr. WOLCOTT].

The conclusion of the committee includes the following statement on page 10 of the committee report:

The committee has further recommended that the Secretary of Agriculture in the administration of the allocation program shall provide for the needs of hardship cases, and for the needs of new users and those having no base-period history. It feels that with the increased sugar available during 1947, over 1946, for industrial users that the reasonable needs of new users, and the reasonable relief of hardship cases including provision of sugar to prevent the wastage of mill and other food products, must be provided for by the Secretary of Agriculture.

Iowa City, Iowa, is the home of the State University of Iowa. It is a city of approximately 13,000 to 20,000 people. The university enrollment has leaped to more than 10,000 students this year and will go even higher next year, whereas the attendance heretofore has been between 6,000 and 7,000 students. Many hundreds of these additional students are married and have brought their wives and children with them. Under present law adequate provision has not been made for the needs of this increase in population.

My question is: Does this provision in this bill as interpreted in the committee report authorize the Secretary of Agriculture and give him the power and responsibility to make adequate provision for the needs of greatly increased populations in such communities as Iowa City?

Mr. WOLCOTT. I do not know that the bill provides adequately for such a situation any more than under short supply you could make adequate provision for anybody in the United States; but as far as those people are concerned, they would be considered either hardship cases, or rather, let me put it this way, the distributors under those circumstances may make application for increased quotas to meet the demand occasioned by any increase in population. That in itself should be considered a hardship case which the Secretary of Agriculture would have to recognize under the conditions of this act.

Mr. MARTIN of Iowa. He has that responsibility, but that has not been the case under existing law.

Mr. WOLCOTT. He will have that responsibility from now on; yes.

Mr. MARTIN of Iowa. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I am quite sure that every Member of this House will agree with me that the primary reason why we find ourselves in this sugar crisis is due to the fact that the price of sugar beets and sugarcane has been held down too low in comparison to other farm products. About a month ago the Governor of the Virgin Islands testified before the Subcommittee on Appropriations for the Department of the Interior, at which time I asked him what would happen to the production of sugar in the Virgin Islands if they were permitted to have an increased price of, say, \$2 a hundred on their raw sugar. He said, "We would produce approximately 25 percent more sugar." If the OPA had in the past few years permitted a more reasonable comparative price for sugarcane and sugar beets this problem would not confront us today.

If I had my way we would decontrol sugar right now, or at least permit the price to rise sufficiently to get the necessary production everywhere.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. FLETCHER].

(Mr. FLETCHER asked and was given permission to revise and extend his remarks.)

Mr. FLETCHER. Mr. Chairman, as a member of the Banking and Currency Committee having heard the extensive hearings on sugar, I wish to say that I am very much in favor of the passage of House Joint Resolution 146, by Chairman WOLCOTT.

In my considered opinion, the best testimony of qualified witnesses proved that the month of October was the best month to decontrol sugar. With sugar production in 1947 at a high level, I can see no reason to defer decontrol until 1948.

We have seen the pitiful spectacle in this country of the loss of milk, fruit, and other foods, considerable of which have been wasted because of the inability of housewives and new users to obtain sugar. I do not think it is fair to continue to give a monopoly to the present industrial users of sugar. Why should new enterprise be discouraged? Let us not forget that sugar is only one of the many problems in our present economy. I call your attention to increasing unemployment in many parts of our country which could be alleviated by the starting of new enterprises. Our business history is replete with stories of the growth of large corporations from small business beginnings.

House Joint Resolution 146 allows the Secretary of Agriculture to control sugar until October 31, 1947; it allows sugar for hardship cases and new-user cases; and provides inventory controls against hoarding until March 31, 1948. I strongly urge the passage of House Joint Resolution 146.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. LARCADE].

(Mr. LARCADE asked and was given permission to revise and extend his remarks.)

Mr. LARCADE. Mr. Chairman, I rise in support of the resolution under consideration, and usually I yield to my colleague the gentleman from Louisiana [Mr. DOMENGAUX], in matters connected with the sugar industry, since he represents the Sugar Bowl district of Louisiana, and I therefore join him in urging favorable action on this bill.

The compromises effected under this resolution in committee are now satisfactory to the producers of sugar in Louisiana, and in that connection I wish to submit copy of a telegram from the officers of the Louisiana Sugarcane League of Louisiana, as follows:

NEW ORLEANS, LA., March 20, 1947.
C. J. BOURG,
Union Trust Building,
Washington, D. C.:

Reference decontrol of sugar, have contacted membership, executive and legislative committees. Overwhelming majority opinion strongly endorse definite and complete decontrol sugar October 31, 1947. This action taken in interest of 11,000 sugarcane growers who would suffer irreparable damage if decontrol is made effective March 31 instead of October 31, 1947. Kindly advise Louisiana congressional delegation of the position of our industry.

GEORGE L. BILLEAUD,
President.

MURPHY J. FOSTER,
Chairman, Legislative Committee.

(Mr. TWYMAN asked and was given permission to revise and extend his remarks.)

Mr. WOLCOTT. Mr. Chairman, there are no further requests for time on this side.

The CHAIRMAN. There being no further requests for time, under the rule the Clerk will read the committee amendment which will be considered as an original bill.

The Clerk read as follows:

That (a) notwithstanding any other provisions of law, the Emergency Price Control Act of 1942, (56 Stat. 23); the Stabilization Act, 1942 (56 Stat. 765); title III of the Second War Powers Act, 1942 (56 Stat. 177), and the amendment to existing law made thereby; title XIV of the Second War Powers Act, 1942 (56 Stat. 177); and section 6 of the act of July 2, 1940 (54 Stat. 714), all as amended and extended, shall continue in effect with respect to sugar to and including October 31, 1947, except that authority to continue inventory controls may be exercised to and including March 31, 1948: *Provided, however, That—*

(1) the authority contained herein shall not be deemed (i) to permit the allocation or rationing of any product (other than the allocation of such product imported or brought into the continental United States) unless a regulation providing for allocation or rationing thereof was in effect on February 18, 1947, or (ii) to permit price control over any product unless a price-control regulation with respect thereto was in effect on February 18, 1947;

(2) no person shall be subject to any criminal penalty or civil liability, under any such provision of law, on account of any act or omission which is made unlawful by section 4 of this act;

(3) sections 203 and 204 of the Emergency Price Control Act of 1942, as amended, shall not apply in the case of any regulation or order hereafter issued in the exercise of any power, function, or duty transferred by section 3 (a) of this Act; and

(4) hereafter no person shall be required to secure a license, and no license shall be issued to any person, under section 205 of the Emergency Price Control Act of 1942, as amended, for the purpose of providing for the enforcement of any regulation or order relating to sugar.

(b) Notwithstanding the provisions of any other law, the Secretary of Agriculture, in exercising the allocation and rationing authority transferred to him by section 3 of this act, shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, provide for the needs of hardship cases, for the needs of new sugar users, and for the needs of those who have no base period history.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 6, line 17, after "controls", insert "over other than household users."

Mr. WOLCOTT. Mr. Chairman, I have called attention earlier in the debate to the desirability of clarifying this language and, I believe, expressed the fear that unless it was clarified we might unintentionally continue controls over all users through March 31, 1948. It surely was not the intent of the committee when we authorized the continuance of inventory controls to include the householder. It has been suggested that this amendment is the easiest way to clarify it, that is, to restrict it to commercial and industrial users. If we were to use language that it was restricted to industrial and commercial users, of course we would have to define what is

a commercial or industrial user, but it is very clear that the inventory controls, if they are going to be continued, should be continued as to everyone but the housewife, the household user. Therefore, probably the most direct approach to the problem is this that by eliminating the household users we include thereby all other users. It is in the interest of assuring that the controls over the allocation of sugar to the housewife for household uses will expire on October 31, 1947, that I believe this amendment should be adopted.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Colorado.

Mr. CHENOWETH. Do I correctly understand that it is the position of the chairman of the committee that the Secretary should have the authority to ration industrial and commercial users until March 31, 1948?

Mr. WOLCOTT. According to action taken by the committee the inventory control could be exercised to and including March 31, 1948. Believing that it is the intention of the committee to limit inventory controls to industrial and commercial users, I have offered this language to exempt household users, to clarify the intention of the committee in that respect. As I have said, I am afraid that otherwise the Secretary of Agriculture might be justified in interpreting this language to mean that he would have the authority to exercise controls over the amount of sugar the housewife might have in her sugar bowl.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Michigan.

Mr. CRAWFORD. In other words, Government departments have never yet brought inventory controls down to the household?

Mr. WOLCOTT. That is right.

Mr. CRAWFORD. The gentleman's amendment makes the language clear, that there is no intent here that the Secretary of Agriculture shall fuss around with what is in the house?

Mr. WOLCOTT. That is the purpose of the amendment.

Mr. CRAWFORD. It is to restrict it definitely to commercial users?

Mr. WOLCOTT. Yes.

Mr. CRAWFORD. I think the amendment is very proper.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Colorado.

Mr. CHENOWETH. Would the gentleman have any objection to ending all controls on October 31? Is not that the purpose of this bill?

Mr. WOLCOTT. Yes; I think I do have some objection to that.

Mr. CHENOWETH. I intend to offer an amendment when this amendment is disposed of.

Mr. WOLCOTT. I shall have an opportunity to explain my objection when the gentleman offers his amendment.

Mr. SPENCE. Mr. Chairman, we have no objection to the amendment and think it should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The amendment was agreed to.

Mr. WOLCOTT. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT:

On page 7, strike out lines 7 to 11, inclusive, and insert the following paragraphs:

"(3) no provision of section 204 (d) or (e) of the Emergency Price Control Act of 1942, as amended, shall apply (1) in any proceeding, involving a regulation or order with respect to sugar, in which an injunction or other order of a court is hereafter applied for, or (11) in any proceeding under section 37 of the Criminal Code, which is based on a conspiracy involving any act or omission which is made unlawful by section 4 of this act;

"(4) in the case of any regulation or order with respect to sugar, no protest may be hereafter filed under section 203 of the Emergency Price Control Act of 1942, as amended."

In line 12, strike out "(4)" and insert "(5)."

Mr. WOLCOTT. Mr. Chairman, this language is suggested by the legislative counsel to more clearly define what is intended. It is intended by the language in section 3 on page 7 to do away with the protest procedure now provided for in the Emergency Price Control Act with respect to violations or procedure after the effective date of the bill now under consideration.

It is our intention under this bill to eliminate the Emergency Court of Appeals in the participation in the reviews of violations under this particular bill. The Emergency Court of Appeals was set up to handle a situation which might arise wherein, because of a multiplicity of suits involving hundreds of thousands of commodities, chaos might result from even trying to enforce the price control laws.

At the time the OPA was administering controls over hundreds of thousands of commodities, it was essential, and you will recall that many of us predicted it here on the floor for some years. But there is no longer any need for continuing the cumbersome machinery under which these reviews are made in respect to price control regulations because the activity of the OPA is now pretty much narrowed. After the effective date of this act the OPA and the machinery for the enforcement of OPA regulations will no longer be in existence in respect to sugar controls and they should not be continued after the effective date of this bill because there would then be a conflict of jurisdiction.

As I stated before, the legislative counsel has suggested this language which I have offered to define more clearly our intent. In other words, he puts it in somewhat better language from the legislative point of view.

The CHAIRMAN. The question is on the committee amendment.

The amendment was agreed to.

Mr. CHENOWETH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CHENOWETH: On page 6, line 16, after the figure "1947",

strike out the remainder of the line 16 and all of lines 17 and 18 to the word "provided."

Mr. CHENOWETH. Mr. Chairman, there seems to be considerable confusion over the meaning of the provision I am seeking to strike from the bill by the amendment I have offered. No one can tell the House just what control the Secretary of Agriculture will have over sugar after October 31, 1947. My amendment will stop all controls over sugar on October 31 of this year.

The bill before the House has for its purpose the termination of the sugar rationing program, including the control of prices over sugar, as of October 31, 1947. My amendment, if adopted, will leave no doubt as to the effect of the bill.

The gentleman from Michigan [Mr. CRAWFORD] who addressed the House a few minutes ago, and who is an authority on sugar, made a strong argument for the amendment that I have offered. It is admitted that no one knows what the Secretary of Agriculture would do with this power to continue inventory controls. I have never heard it satisfactorily explained why he should have these powers. It is conceded that October 31 is the proper date to decontrol sugar, as we will then have a full inventory of sugar. This is the period when the candy manufacturers of the country will be anxious to make some Christmas candy. I am not particularly happy about the proposal that the Secretary of Agriculture, or any other Government official, should have the power to say how much sugar any industrial user of sugar should have on hand. I am thinking of the small candy makers, bakeries, soft drink bottlers, ice cream plants, and others affected. I want to see them get adequate sugar, which I am sure will be available. They are certainly entitled to this consideration.

Unless my amendment is adopted, I submit that you are giving the Secretary of Agriculture full power to continue the sugar program for industrial and commercial users until March 31, 1948. The control of inventories is all that he needs to regulate all industrial users of sugar.

We virtually continue the rationing of sugar until March 31, 1948, so far as these commercial users are concerned. I am opposed to any such extension.

Mr. Chairman, I am disappointed that we have to pass this legislation at all. I am ready to support this bill and continue the sugar program until October 31, the date set by the committee, but I am not willing to leave a loophole whereby sugar rationing of any type can be continued beyond that date. Congress should determine when sugar controls will be abolished and not leave this decision up to the Secretary of Agriculture, or anyone else.

I am seeking to strike the following language from the bill:

That authority to continue inventory controls may be exercised to and including March 31, 1948.

The gentleman from Michigan, the chairman of the committee, considered this language so broad and far-reaching that he offered the amendment elimi-

nating housewives from being included under these inventory controls. However, this provision still applies to all other users of sugar, and in effect continues controls until March 31 of next year. In other words, instead of abandoning sugar rationing and controls on October 31, as we have been led to believe was the purpose of this legislation, we are in fact extending controls over certain users of sugar for 6 months beyond that date.

I submit, Mr. Chairman, that we should adopt my amendment. I hope it will have your approval and that we will end all sugar controls on October 31, 1947. The Secretary of Agriculture should have no inventory control or any other jurisdiction beyond that date. The only logical and reasonable conclusion we can draw from the discussion and debate this afternoon is that it is the purpose of this bill to end all sugar controls on October 31. I know the committee has given careful consideration to the entire sugar situation and is recommending the continuation of rationing and price control a few months longer. Personally, I do not believe the dire predictions of those who contend that chaos would result if these controls were removed at this time. I still have faith in the ability of our producers and distributors of sugar to see that a fair distribution is made. However, I am willing to continue price ceilings on sugar for a few months longer, but I certainly want to protest against the continuation of all controls over sugar, whether by the inventory method or some other ruse, beyond October 31 of this year. Let us make up our minds whether we want to terminate sugar control on October 31, 1947, or on March 31 next year. It seems to me the consensus of opinion is that it should come to an end on October 31, this year. If that is true, let us say so in plain language; in language that those administering sugar controls will understand. In order to avoid confusion and remove all doubt of our intention I urge the adoption of my amendment.

The CHAIRMAN. The time of the gentleman from Colorado [Mr. CHENOWETH] has expired.

(Mr. CHENOWETH asked and was granted permission to revise and extend his remarks.)

Mr. BOGGS of Louisiana. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, earlier this afternoon in the general debate I spoke out without qualification in favor of the October 31, 1947, date, as the best date for the removal of controls on rationing and price. However, I feel that if we were to adopt the amendment that has just been suggested by the gentleman from Colorado [Mr. CHENOWETH], which would remove inventory controls as of that date, it would be almost impossible to decontrol sugar as of October 31, 1947. I say that advisedly. This fact must be borne in mind: While on October 31, 1947, we will know exactly what the sugar supply will be for 1948, we still will not have the sugar stocks on hand, so that we still must wait a period of months before the crops from the Virgin Islands, Puerto

Rico, and Cuba start reaching the mainland. If we were to decontrol as of October 31, 1947, on the inventory, we would have the same mad scramble among the big industrial producers that we might anticipate if we decontrol as of this date or as of March 31, 1947.

In addition to that, the amendment just offered by our distinguished chairman [Mr. Wolcott] very well clarifies the intent of this bill so that the people we principally want to help, that is, the housewives of America, will not be affected by inventory control. The amendment offered by the gentleman from Michigan [Mr. Wolcott] would adequately protect the housewives as of October 31, 1947. But if we remove inventory controls and allow the big industrial users, who occupy a favored financial position, to go out and buy up the most outrageous inventories, then the price of sugar is bound to skyrocket. There are only four or five gigantic sugar users in the United States when you talk about big sugar users. If you put them in a position where they can buy large inventories, then the price of sugar will skyrocket beyond what the gentleman predicted a little while ago, and we are bound to have what the gentleman said, an effort on the part of those who want to continue controls to come back and say to us, "See what happened. Let us put the controls on again."

Therefore, I hope the amendment will be rejected.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. CHENOWETH. In effect, the gentleman is arguing now to continue it.

Mr. BOGGS of Louisiana. No; I am not.

Mr. CHENOWETH. Practically, what you say continues the rationing of industrial sugar until March 31, 1948.

Mr. BOGGS of Louisiana. No; it does not.

Mr. CHENOWETH. If you control the inventory you control everything.

Mr. BOGGS of Louisiana. No. The committee amendment is very specific. The housewives will not be affected by the inventory control.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I am glad to yield to my distinguished fellow committeeman.

Mr. BROWN of Georgia. Without inventory control to March 31, 1948, of course, the housewives would get less sugar.

Mr. BOGGS of Louisiana. Exactly.

Mr. BROWN of Georgia. Industrial users will hoard the sugar.

Mr. BOGGS of Louisiana. Exactly.

Mr. BROWN of Georgia. They certainly will not be placed in a favorable position by this amendment.

Mr. BOGGS of Louisiana. The gentleman is correct. The result will be that the industrial users will hoard all the sugar, and those who want to continue control of sugar will be able to come down here and make out a good case.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. GAVIN. Mr. Chairman, I rise in support of the amendment of the gentleman from Colorado [Mr. CHENOWETH].

Mr. Chairman, I have listened with a great deal of interest to the debate here today on sugar, and the committee have reported out a very fine bill. I feel, however, that all controls on sugar should be definitely eliminated on October 31, 1947. In the past we have listened to discussions as to the decontrol of oil, then we listened to discussion on the decontrol of meats and the dire consequences in event of decontrol but nothing happened now its this emergency and that emergency—always an emergency. The time has now come when the American people are asking relief from restrictions and regulations controlling and strangling business, restrictions and regulations that have killed the free flow of trade. I am asking the Members of this House whether we are going to degenerate this Government into some sort of bureaucratically controlled government, or are we going to return to free enterprise, placing the business of the country in the hands of the American people where it rightfully belongs? It is time to end all controls. There are 140,000,000 people in this Nation and we built without question the greatest productivity the world has ever known. Let me tell you, Mr. Chairman, it was not built by control, restriction and Government regulation. It was built by the American way. It was built by initiative, courage, determination, energy, resourcefulness and hard work, we have built a great producing Nation of agriculture and industry, the envy of all the world. Let us now discontinue these controls that are strangling the free flow of trade and crucifying our system of free enterprise. Further controls are unnecessary and should be discontinued.

I am going to support the amendment offered by the gentleman from Colorado.

Mr. Chairman, I yield back the balance of my time.

(Mr. GAVIN asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Ohio. Mr. Speaker, I move to strike out the last word and ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The gentleman from Ohio is recognized for 8 minutes.

Mr. SMITH of Ohio. Mr. Chairman, let us once and for all clear up the question as to how the International Emergency Food Council is given the power to put the sugar produced and acquired by the United States into an international pool and thence ration out of that pool back to the United States an amount of sugar it determines to be our proper share, and let there be no equivocation about it.

Referring specifically to the source of the power exercised by the International Emergency Food Council to assume this function, I asked Mr. James H. Marshall, Director of the Sugar Branch of the Department of Agriculture, to state specif-

ically who has the power to bind the United States to this international program and whether legal authority existed for it. He replied that the power is vested in the President and the authority for it exists in title III of the Second War Powers Act.

However, I am informed by counsel, the most competent on the Hill, that Mr. Marshall is mistaken in his position; that the authority which the President exercises in delegating to the International Emergency Food Council the power to place American sugar in a world pool and arbitrarily allocate back to us whatever it believes we are entitled to is not provided in article 3 of the Second War Powers Act, and that they can find no specific authority for it.

Now, the gentleman from Michigan [Mr. WOLCOTT], chairman of the committee, has made a statement that this power is somewhat inherent in the President's powers to conduct the foreign affairs of the Nation. I want to challenge that statement. I do not believe the Constitution ever intended to vest any such power as we are here considering in the President of the United States. If the President has authority to exercise, or delegate to an international body the power to tell the people of the United States what portion of the sugar they produce and acquire must be exported to other nations and what part they may be permitted to consume themselves, then the President of the United States has the power to do this with respect to every other article we produce in the United States. Now, who is going to rise in his place and say the President of the United States has that power under the Constitution?

I pause. I want to see if there is any one on this floor who will rise in his or her place and say that the President of the United States has this power under the Constitution. No one rises and, of course, none can.

What I want to get across to the Congress and to the country is that even though all control over domestic rationing of sugar is repealed, we will still have rationing by the body known as the International Emergency Food Council, and that except for that international arrangement the people of the United States today would probably have all the sugar they want.

Let us tell the people the truth. They should know why they are unable to get more sugar and they should know that the blame for this is upon the Congress of the United States. Congress has the power to correct this condition.

One more point. The attempt is being made to give the impression there is nothing compulsory about this international arrangement, that the international group is only an advisory body. Whether that is true or not it has nothing to do with the question I am raising. The point I make is that the President of the United States has no power under the Constitution that authorizes him to accept any recommendation made by the International Emergency Food Council or to in any manner deal with an international body to set up this scheme.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. The gentleman does not take the position that any sugars produced in the United States are sent to foreign countries, does he?

Mr. SMITH of Ohio. Oh, no. I simply say that the sugar we produce and the sugar we acquire is placed into an international pool, and from that pool is allocated back to the United States by this international body whatever amount of sugar it believes proper.

Mr. BROWN of Georgia. I wish to say that the sugar produced in the Hawaiian Islands, the Philippine Islands, Puerto Rico and the United States is consumed in this country and not sent to foreign countries. It is true that we do purchase all the sugar in Cuba. It is contracted for in order to keep down unjust amounts to be paid for the sugar, with the understanding that we will allot out of that amount a certain portion to foreign countries, like old customers of Cuba, but the sugar produced here as well as in Hawaii and Puerto Rico is consumed here and none of this sugar is sent abroad.

Mr. SMITH of Ohio. The gentleman's argument is entirely beside the point. What I stated is a plain simple fact and it is there for anyone to see who cares to.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FOLGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we on the Committee on Banking and Currency have been listening to witness after witness. Most every problem of our economy has been represented by the testimony that has been given. I want to pay a tribute to the large users of sugar, in all cases except one, in that they favored the bill as presented by the chairman of the committee in the first instance, to which I am adhering in thought. I really believe that when we substituted another bill for it we made a mistake. But if we add to that the lifting of inventory controls on the 31st of October instead of extending them to March 31, 1948, the result, in my opinion, will be that the small users of sugar and the housewives of this country will find no sugar. It will all be taken by the large purchasers who are able to pay higher prices and have easier access to making sugar contracts. This will be an absolute disaster to the housewives and the small users of sugar in this country, in my judgment, which I have formed from listening carefully to about 100 people.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Colorado.

Mr. CHENOWETH. In one breath the gentleman praises the large industrial users of sugar and in the next breath he expresses a suspicion that they will deprive all the rest of the country of sugar.

Mr. FOLGER. They admitted that they could get it, but they did not want the opportunity and did not want to get into a scramble for it.

Mr. BOGGS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Louisiana.

Mr. BOGGS of Louisiana. Is it not a fact that all the large industrial users asked us to continue inventory controls until March 31?

Mr. FOLGER. Except one. The gentleman remembers that one, does he not?

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we have to be realistic about the situation. I do not think anyone desires to see these war controls come off any sooner than I. I think the position of many of us is pretty well known, that it is our purpose to take them off as quickly as we can with as little shock to our economy as possible. This bill as it is written at the present time would authorize and provide for gradual decontrol, with little or no shock to our economy, and with little or no economic or political shocks which might be incident to or the result of taking them off prematurely.

I would rather put myself in the position of encouraging somebody else, some administrator, to take the responsibility for not getting sugar to the housewife after October 31 than I would take it myself. Surely the only harm is going to be possible harm to the housewife following October 31. No one else can be harmed by the continuance of inventory controls except the housewife. We are confronted with this problem. If the housewife is harmed by reason of industrial users operating in open competition with her; if inventories held by industrial and commercial users are built exceptionally high in October, November, and December against demand for candies, beverages, and everything else that is made of sugar, incident to the Christmas trade, I want the fault to lie in the administration of the law and not in the legislation itself. By October 31 people will be looking to December 25. The period between November 1 and Christmas is a period in which industrial and commercial users probably make, distribute, and market more candy than they do in any other period of the year.

Of course, there will be a tendency for them to, regardless of price, bid up every pound of available sugar on October 31 before the beet crop comes on the market, and, I believe, before the cane crop comes on the market, at a time when the inventories may be somewhat lower than you now expect them to be, because of a partial failure of the Cuban crop and because of a partial failure of the Hawaiian or Puerto Rican crop. We do not have any assurances that they are going to be up to the estimates, but surely we want to provide a hedge against crop failures to the point where the housewife is going to be assured of her proportionate share, her just and equitable share of sugar after October 31 and until such time as the new crops do come in. The only way I can see for us to do it and give her assurance that she is going to get her equitable share of these stocks is to give somebody the authority to tell the industrial users that they shall not at any time have more than a certain amount of sugar on hand in their inventories.

Mr. CHENOWETH. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Colorado.

Mr. CHENOWETH. The gentleman is telling the House now that you are not discontinuing the rationing of industrial sugar on October 31 but are going to continue it until March 31? No other conclusion can be drawn from the gentleman's statement.

Mr. WOLCOTT. I think the gentleman is correct. I may say to the gentleman that my bill originally provided for the continuance of these controls until March 1, 1948. I think I had a pretty good provision in the bill. I provided that the Secretary of Agriculture before October 15 would make his finding in respect of the necessity for continuing the controls after October 31. If he made this finding according to certain standards which we set up in the bill, then he could continue them, even the inventory controls, beyond October 31, but not later than March 31. I think that is better language, but in my opinion on the basis of the practical situation we must defeat the amendment which the gentleman has offered.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. WOLCOTT] may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT. I yield to the gentleman.

Mr. CRAWFORD. I have asked for this time so that I could ask my chairman a question. Let us be fair to everybody about this and let us be clear about it. If the Government of the United States says to corporation A, "We no longer have any control over the amount of sugar you use but are simply going to say you must not have on hand more than 5,000 bags at any one time," in doing that the Federal Government does not limit the amount of sugar that can be used and, therefore, the Federal Government does not restrict the quantity of sugar that the corporation can use or exercise rationing power. It is an inventory control power—an inventory beyond which you cannot go. Does my chairman agree with that proposition?

Mr. WOLCOTT. I must admit that the inventory controls contemplated after that date would not be as restrictive as the controls under the power which the Secretary of Agriculture will have up to October 31. If the Secretary of Agriculture by regulation says that this corporation A, to which the gentleman has referred, shall not have more than 30 days' supply of sugar on hand at any one time in his inventory, of course, there is little to prevent that corporation A from sending its employees out into the open market and picking up 5 pounds at a time here and there for the corporation's use. That is at least some restriction on this practice and that is some guaranty that the housewife is going to get her equitable allotment of this sugar.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. CHENOWETH].

The question was taken; and on a division (demanded by Mr. CHENOWETH) there were—ayes 30, noes 115.

So the amendment was rejected.

Mr. GAMBLE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. GAMBLE: On page 7, line 24, after the word "history", insert a new subdivision (c):

"Nothing herein shall restrict the import of products of consumer size containers of not more than 3 pounds net each or more than one-half United States liquid gallons each, providing importers of such products shall obtain certification from the proper Government officials of the exporting country that products so shipped shall have been produced out of domestic quota sugar."

[Mr. GAMBLE addressed the committee. His remarks will appear hereafter in the Appendix.]

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am in favor of the amendment offered by the gentleman from New York [Mr. GAMBLE] not so much by what he had to say with reference to Cuban products but by the effect that amendment will have on products produced by citizens of the United States, residents of Puerto Rico. By that I mean the Puerto Ricans. Puerto Rico is a sugar-producing area. There is allocated to Puerto Rico for household and industrial uses a given tonnage of sugar. We allow Puerto Rico to say how that shall be used. They make their own division down there between household and industrial users. It does not affect directly the quota of sugar allowed to the people of the United States.

If Mr. A, a Puerto Rican, takes that sugar and puts it into citron, sugared citron by preserving it, or candied citrus peel, fruits, we will call it, and sends the citrus peel or the citron to the United States, you receive it here in the form of candied products; it gives you sugar in that form and actually adds to your sugar supply just as this proposition would add to your sugar supply as it comes out of the quota assigned to Cuba under the Cuban sugar contract between Cuba and the United States.

Keep this in mind, Puerto Rico is an insular possession of the United States. We have got to underwrite the insular treasury. We send millions and tens of millions of dollars to Puerto Rico in the form of relief funds. Why under the sun do we refuse to let Puerto Rico take their sunshine and their natural fruits and peels and sugar them with the sugar they produce there, convert it through industrial processes, give their people employment, put it into the form to which I have referred, and then say to them they cannot send it to the United States without surrendering sugar stamps? This fight is up now between the Department of Agriculture and the Committee on Insular Affairs, and we are trying to induce the Department of Agriculture and OPA to let the sugar products produced by American citizens in Puerto

Rico come into this country without our wholesalers or jobbers being forced to surrender sugar stamps.

The gentleman's amendment has been argued in favor of Cuba. Let the Cuban people do likewise if they want to take their sugar now and put it into preserves, jellies, and jams and send it to us, let them do it, and do not charge them sugar stamps. That is the point the gentleman is making, and with that I agree. But if you people want to protect the taxpayers of the United States with respect to sending relief funds to Puerto Rico, get hold of Mr. Marshall at the Department of Agriculture Sugar Branch and tell him to let these Puerto Rican products come in here without surrendering sugar stamps on the equivalent sugar in those products when they arrive here in these packages shipped to large industrial users like hotels and restaurants.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CURTIS. Prior to the holidays I received complaints from retailers in this country that manufacturers of candies and confections in this country could not fill their orders but they could buy foreign-produced candies and so forth.

Mr. CRAWFORD. That is correct.

Mr. CURTIS. Will not this amendment offered by the gentleman from New York accentuate that problem?

Mr. CRAWFORD. No, it does not accentuate it for the reason that in the agreement to purchase sugar Cuba reserves the right to allocate to her people for home consumption, industrial and export use, so many tons of sugar, and having made that allocation as of the date we entered the agreement for the purchase of Cuban sugar they have that sugar reserved. If they want to ship that sugar up to us in manufactured products let them do it, paying the tariff, of course; we get that much more sugar.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. HILL. The point I am interested in in this matter we are speaking about of shipping manufactured food products into this country, will these products come up to the standards set by the Food and Drugs Act?

Mr. CRAWFORD. It may or may not, I am not debating that, I cannot answer that. That is up to the control authorities.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SPENCE and Mr. BOGGS of Louisiana rose.

Mr. CRAWFORD. I yield first to the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. This amendment was never considered in the committee. I should like to know what effect it will have. It seems to be a special treatment to particular users. There is an axiom in law that hard cases make bad law. I

do not see how we are going to meet all the contingencies that may arise to result in injustices under this act; it seems to me this matter is of sufficient importance that it should have been considered by the committee and testimony taken on it.

Mr. CRAWFORD. I now yield to the gentleman from Louisiana [Mr. Boggs].

Mr. BOGGS of Louisiana. Do I understand this amendment to permit the importation of liquid sugars?

Mr. CRAWFORD. I do not think so.

Mr. BOGGS of Louisiana. Do I understand it to permit the importation of molasses and sirups?

Mr. CRAWFORD. In consumer-sized packages containing sugar chargeable to the reserve quota held back by Cuba. Suppose it did; we are getting the benefit of it.

Mr. BOGGS of Louisiana. But is it not possible, though, by the use, for instance, of the ionic interchange procedure whereby you convert molasses to sugar in a liquid state rather than a granulated state, for the man who has the process to do that to get an advantage over the man who does not?

Mr. CRAWFORD. It is in those small containers for personal use. This debate does not enter into the tariff question whatever. It has to do with the allocation of sugar quotas.

Mr. BOGGS of Louisiana. I am not talking about the tariff question; I am talking about the rationing question. If it is just as easy to use liquid sugar as it is to use granulated sugar, do you not give a man an advantage over his competitors?

Mr. CRAWFORD. But the point is that it is being charged to the Cuban sugar rationing quota, and if you want to give up 5 pounds to that quota and give to me, bring it over, and I will take the sugar.

Mr. BOGGS of Louisiana. But he gets that additional advantage.

Mr. CRAWFORD. Does the gentleman mean the domestic consumer here?

Mr. BOGGS of Louisiana. Yes.

Mr. CRAWFORD. Or the housewife.

Mr. BOGGS of Louisiana. No; the industrial user.

Mr. CRAWFORD. I did not understand that this covered the industrial user.

Mr. GAMBLE. Mr. Chairman, if the gentleman will yield, restricting the size of the container would not be advantageous to the industrial user but to the individual.

Mr. CRAWFORD. The economics of it is this; by the time the industrial user acquires those small containers and converts them into his process, the cost will be very prohibitive against the other side of the proposition, at least, I think so.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. MILLER of California. What effect will this have upon the candy manufacturers of this country?

Mr. CRAWFORD. If the local manufacturers use it, that would be up to them.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BOGGS of Louisiana. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent that the Clerk again read the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk again read the amendment.

Mr. BOGGS of Louisiana. Mr. Chairman, I rise in opposition to the amendment. The amendment may possibly have some good purpose, but in the first place it was never considered before our committee, and I think that it has a very definite danger.

Mr. GAMBLE. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield to the gentleman from New York.

Mr. GAMBLE. I offered the amendment before the committee, and I discussed it at length. One gentleman appeared before the committee, and it was the last man who testified before the hearings were closed. Unfortunately, the gentleman from Michigan [Mr. Wolcott] and I were the only ones there.

Mr. BOGGS of Louisiana. I apologize to the gentleman.

Mr. WOLCOTT. I withdrew the amendment. There was no vote, but it was offered.

Mr. BOGGS of Louisiana. I am sorry I was not present when it was offered. I want to point out to the House the danger of this type of amendment. In the sugar trade they have recently developed a process whereby you can produce what is called liquid sugar. This bypasses all of the usual procedures of processing and refining. You take your molasses or whatever the base product is and you come out finally with a product that has the same essential chemical ingredients as granulated sugar. I believe, without being too familiar with the amendment, because as I say I was not there when it was discussed before the committee, that this amendment could possibly achieve that result, and if it does that it is invariably going to give the man who has the process and who is able to utilize this method of using sugar an advantage over a man who has to go into the open market and buy granulated sugar, and by the same token it would discriminate against the housewife who must use granulated sugar on the table. Therefore, I think that this amendment has a considerable amount of danger, not having been fully considered, and without knowing just the full implication.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield to the gentleman from Michigan.

Mr. CRAWFORD. This amendment, I believe, refers to a 3-pound container. Does the gentleman recall the weight of a 1-gallon container of liquid sugar?

Mr. BOGGS of Louisiana. No; I do not.

Mr. CRAWFORD. Well, I would not be too certain, but I would guess around about 10 pounds per gallon; in other words, let us think in terms of one-third of a gallon container. Suppose I am

a fellow who is using sugar in sirup form in my process, and I import sugar from Cuba in that form in one-third gallon containers, I have got to pay for that special packaging while my competitor can purchase sugar with his ration stamps on a hundred-pound basis; a 100-pound bag, for instance. I would be at an economic disadvantage which, in my humble opinion, I could not possibly overcome.

Mr. BOGGS of Louisiana. I think that is true in normal times, but in these times when demand for sugar products is so tremendous I do not believe it is true. We had an illustration of that in New Orleans about 6 months ago, when the Federal Government auctioned off some ration-free sugar, price-control-free sugar, and it brought 26 cents a pound; so that I believe this amendment might very well work to the competitive advantage of the companies which are able to use liquid sugars in place of granulated sugars. Therefore, I would be inclined to vote against the amendment.

Mr. CRAWFORD. If the gentleman will yield further, the very controls which we now exercise place the producer in a position to put sugar into a product and sell it on the basis of 26 cents per pound sugar equivalent, because the housewife is forced to go to the baker and pay 80 or 90 cents for a pie and a dollar and a quarter for a cake, and those who buy sweetened products that go into ice-cream mix, for instance, are forced to pay the equivalent of 25 or 35 cents a pound for sugar right now. That is the reason I do not get so excited about talking in terms of the price of sugar at 15 cents a pound, and I favor the lower price as against the higher.

Mr. BOGGS of Louisiana. That was exactly my point in my answer to the gentleman a moment ago, when he said that the man who imported the candy sirup would not be able to compete because of the additional cost. I say that in this day and time cost is no consideration. I firmly believe this amendment could give a great competitive advantage. It has been done before. Last year one of the great beverage companies of this country converted thousands and thousands of tons of molasses into liquid sugar and made pop out of it, and did not produce one single ration coupon. This year they stopped that practice. Under this amendment that thing could happen again. I hope the committee will not discriminate in this manner.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GAMBLE].

The question was taken; and on a division (demanded by Mr. GAMBLE) there were—ayes 69, noes 62.

So the amendment was agreed to.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, let me compose a direct inquiry to all the Members who are in Committee this afternoon: Have you ever been sued by the Government of the United States? It is not a very pleasant experience. When a United States marshal comes and serves process and makes you the defendant in an

action in which the Federal Government is the complainant, you appreciate at once that behind that complaint there is the Treasury of the United States. Uncle Sam never relents. No amount of impatience and no delay in time is going to make a lot of difference when Uncle Sam becomes the complainant in an action against you.

We had many complaints under OPA, thousands of them. Then, one day, thousands of commodities were decontrolled, but the actions at law that were pending were not decontrolled. They are still there.

I sent a note to Mr. Remy, the enforcement officer of OPA, recently, and I found that as of October 31, 1946, there were pending in connection with decontrolled commodities, mind you, for which any action is no longer a violation, 45,131 actions of all kinds against citizens of the United States of America. In addition thereto there were pending 21,624 actions of all kinds with respect to commodities that were still under control. These figures include actions, investigations, anticipated actions, and complaints.

I respectfully submit to the membership this afternoon that when a commodity was decontrolled, why not give the little merchants, the small industrialists, the humble citizen in all the 48 States of the Union, the benefit of the doubt and say, "Now that the commodity has been decontrolled we will also decontrol the action that is pending against you."

As a matter of fact, the OPA is investigating many of them right now because they carry in this summary 4,184 cases that are under investigation. There are 11,022 cases that are awaiting disposition. The number has diminished somewhat since that time, but the net fact is that in every one of the 48 States of the Union there are people who are within the shadow of Uncle Sam's heavy hand and his courts today for something that was done which was a violation or an alleged violation when control was in effect but which is no violation today. I would like to give them the benefit of the doubt.

At the end of this bill I shall offer a very, very simple amendment. It says simply this:

That notwithstanding the provisions of the OPA act, the administration shall not institute and he shall not maintain nor shall any agency of government—

And that means the Department of Justice—

institute or maintain any action that arose out of the sale of a commodity with the exception of sugar, rice, and a rent receipt.

So we make those exceptions because they are considered for continued control. Some of them may be continued as in the case of sugar.

But with respect to these other commodities, why not give the humble citizenry, the little lady who sells a hat for 39 cents over the ceiling, who is in the toils of the law today, and the grocer who sold a can of baked beans for 5 cents more than the list price and who is in difficulty because somebody filed a treble damage action—as I say, why not

give them a chance? Let us do something about it. I hope this amendment is in order.

I have not asked the parliamentarian of the House about it. The chairman of the committee has been very gracious about it. We have discussed it. It was not presented to the committee for the reason that I have been so busy myself with appropriations work and with the budget committee work that I frankly did not have the time. But I wish you would think about it because here is an opportunity to do something for people who are still within the shadow of the law as the result of an alleged violation for something which today is not a violation.

May I add that Mr. Remy, enforcement officer for OPA has an adequate appreciation of this problem and has been genuinely cooperative in finding an administrative solution. I esteem it a matter of high importance which merits immediate action.

[Mr. AUGUST H. ANDRESEN addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I take this time to keep faith with those engaged in agriculture. Perhaps I shall want to ask the chairman of the committee one or two questions. There has been handed to me language which applies to lines 23 and 24 on page 7 of the bill. On line 23, after the word "cases", the language has been suggested to be added, "with particular regard to the needs of farm households and the prevention of wastage of milk, fruits, and perishable agricultural commodities."

I should like to ask the chairman if in addition to what the chairman has already given us along that line, he feels it is necessary for us to further strengthen the language in subparagraph (b) with respect to those particular items, or does the chairman and the committee feel that that matter is quite substantially taken care of under the language of the bill?

Mr. WOLCOTT. We had the alternative between allocating these percentages or writing the lines which we did in the bill, with the explanatory matter in the report. I might say to the gentleman, and perhaps to refresh the memories of those in the House on this point, that when courts interpret the language of a statute, especially where the court is trying to determine legislative intent, the courts look first to the language of the act itself. Then if there are ambiguities in the act, the committee report is taken next in importance to the bill in determining legislative intent. We decided we might run into so many difficulties in administering this law if we tried to provide percentage-wise allocations that it would be better to handle the matter by language in the report which would make it very clear as to what our intent was in that particular. We did that, and I believe that the language of the bill with explanatory matter in the report which for purposes of

determining legislative intent are next in effectiveness to the bill itself, that the matter to which the gentleman refers will be adequately taken care of; and if it is possible to allocate it, the reasonable demands of every householder for canning purposes should be taken care of. It is our intent that they shall be taken care of if it is reasonably possible to do so.

Mr. CRAWFORD. I thank the chairman for that explanation.

There is one other suggestion in the same paragraph: Following the word "history" in line 24, add this sentence:

In making allocations the Secretary shall give first consideration to medicinal, medical, food and other essential users.

I assume the remarks which the chairman has just made would apply also to that, the committee relying upon the good faith and integrity of the Secretary of Agriculture to use judgment and discretion and to follow the committee's intent as nearly as possible.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Clerk read as follows:

SEC. 2. Prior to the expiration of the authority granted by this act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this act when he determines that the supplies of sugar are sufficient to warrant such action.

SEC. 3. (a) The powers, functions, and duties of (1) the President under title III of the Second War Powers Act, 1942, and the amendment to existing law made thereby; (2) the President or any executive department under section 6 of the act of July 2, 1940; (3) the Price Administrator under the Emergency Price Control Act of 1942; and (4) the President and the Price Administrator under the Stabilization Act of 1942, all as amended and extended (and irrespective of what officer, department, or agency may be now exercising any such power, function, or duty) are, insofar as they relate to sugar, hereby transferred to and shall be executed by the Secretary of Agriculture.

(b) Every order, directive rule or regulation relating to any power, function, or duty transferred by subsection (a) of this section, issued by any officer, department, or agency heretofore performing such power, function, or duty, which is not in conflict with the provisions of this act and which is in effect on the date of the enactment of this act, shall continue in full force and effect, according to its terms, unless and until modified or rescinded by the Secretary of Agriculture.

(c) So much of the unexpended balances of appropriations, allocations, or other funds, and the property available for the use of any officer, department, or agency in the exercise of any power, function, or duty transferred by subsection (a) of this section or for the use of the Secretary of Agriculture in the exercise of any power, function, or duty so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of such powers, functions, or duties. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such balances of appropriations, allocations, or other funds prior to the transfer. Such personnel as the Director of the Bureau of the Budget determines to be required may also be transferred temporarily to the Department of Agriculture pending termination in whole or in part of the powers, func-

tions, and duties transferred by subsection (a) of this section. There are authorized to be appropriated to the Secretary of Agriculture such sums as may be necessary to carry out the provisions of this act.

Mr. REES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES: On page 9, line 23, after the period following the word "act", insert "provided, nothing in this section shall in anywise be construed to violate any of the veterans' preference act of 1944."

Mr. REES. Mr. Chairman, I shall not take much time of the committee except to say that this is the amendment I discussed earlier in the afternoon.

I trust the chairman of the committee will accept the amendment.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield.

Mr. WOLCOTT. I have not of course canvassed the committee, but so far as I personally am concerned I can see no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. (a) It shall be unlawful for any person to do or omit to do any act, in violation of any order, directive, rule, or regulation continued in effect by section 3 (b) of this act or issued in the exercise of any power, function, or duty transferred by section 3 (a) of this act.

(b) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Secretary of Agriculture in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this act, or to use any such information, for personal benefit.

(c) Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than \$5,000, or to imprisonment for not more than 2 years in the case of a violation of subsection (b) and for not more than 1 year in all other cases, or to both such fine and imprisonment.

SEC. 5. As used in this act—

(a) The term "person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this act shall apply to the United States, or to any such government, political subdivision, or agency.

(b) The term "sugar" means any grade or type of saccharine product derived from sugarcane, sugar beets, or corn, including liquid sugar, sirups, molasses, or mixtures thereof, and sugar-containing products, which contain sucrose, dextrose, or levulose.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: After line 7, on page 11, add a new section reading as follows:

"SEC. 6. A new section is added to the Emergency Price Control Act of 1942, as amended, to read as follows:

"Notwithstanding anything to the contrary in this act, no action shall be instituted or maintained under section 205 (a)

or 205 (e) by the Administrator, or on behalf of the United States by any other officer or agency of the Government, if the violation arose out of the sale of a commodity other than sugar or rice or the payment or receipt of rent for defense area housing accommodations."

Mr. MONRONEY. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill under consideration.

Mr. DIRKSEN. Mr. Chairman, I wonder if the gentleman would withhold the point of order for a moment.

Mr. MONRONEY. I will be delighted to reserve the point of order.

Mr. DIRKSEN. Mr. Chairman, indulge me just a moment to say that this proposal to decontrol actions at law and to give our people a little break and to take them out from under the shadow of law is not quite so startling as it sounds. I have spoken some with the enforcement officials of OPA, and they have been endeavoring to set up some kind of a cut-off, measured in terms of dollars below which they would automatically throw these actions out of court. Whether it should be \$2,000, \$3,000, \$9,000, or \$10,000, is a matter in question. They did submit to me a figure to the effect that at \$3,000 probably 60 percent of these actions would go into the discard. So, you see, the enforcement officials of OPA have been giving this matter some consideration. I think it would be an astonishing thing indeed, however, if, with respect to decontrolled commodities, all these actions at law were some day transferred to the Department of Justice, and that out of violations that arose from the sale of commodities, other than sugar, rent, or rice, that people will still be relentlessly pursued by the Government when they have come under a violation. The matter is worthy of real consideration by the House, because this shadow is upon these people until either administrative or legislative action has been taken.

Mr. Chairman, with respect to the point of order it did occur to me that because of the general policy set out in the bill, and in view of the fact that it relates to the whole OPA act, the Stabilization Act and the Second War Powers Act, that it might be germane to the bill, notwithstanding the fact that it deals broadly with OPA, whereas the bill in question relates only to one commodity.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Would the gentleman's amendment in relation to audits of possible overpayment of subsidies entirely substitute the provisions of the price-control procedure?

Mr. DIRKSEN. I doubt it very much.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Arkansas.

Mr. HARRIS. I wonder if the gentleman will not agree with me that it might be better if these matters could be worked out administratively, in view of the subsidy just mentioned by the gentleman from South Dakota [Mr. CASE]? If the enforcing officials of OPA could work this

matter out separately and as an administrative policy, it would be better than approaching it by legislation here. I have prepared a bill that proposes to do the same thing. I understand that there were \$123,000,000 in subsidies involved. I wonder if the gentleman would not agree that it could be worked out much better administratively?

Mr. DIRKSEN. My answer is: It is equally effective whether it is worked out administratively or legislatively, but the essential thing is that nearly 6 months have gone by since these commodities have been decontrolled, and these people still have an action at law hanging over them in the Federal courts of the country.

Mr. MONRONEY. Mr. Chairman, since this bill deals exclusively with sugar, and since the amendment offered by the gentleman from Illinois specifically exempts sugar from any consideration in the amendment, I renew my point of order against the gentleman's amendment.

The CHAIRMAN. The Chair is ready to rule. The gentleman from Illinois has offered an amendment to which the gentleman from Oklahoma has raised a point of order upon the ground that it is not germane. As indicated by the gentleman from Oklahoma, the resolution before the Committee, both in its title and in the provisions contained in the body of the bill, relates solely and exclusively to the commodity of sugar.

The amendment offered by the gentleman from Illinois seeks to amend the Emergency Price Control Act of 1942 by adding a new section. The effect of that amendment is to cover commodities of all sorts, types, and descriptions, remedies, penalties, and procedures covered by the Price Control Act of 1942, with the exception of sugar; therefore, in the opinion of the Chair, it is not germane to the resolution before the Committee of the Whole, and the Chair sustains the point of order.

The question is on the committee amendment as amended.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the preamble to the joint resolution.

The Clerk read as follows:

Whereas the war has resulted in an acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national defense and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation, and speculation in sugar; waste or spoilage of perishable agricultural commodities; and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

With the following committee amendment:

Strike out all of the preamble.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair,

Mr. COLE of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the joint resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, pursuant to House Resolution 149, he reported the resolution back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time.

The SPEAKER. The question is on the amendment to strike out the preamble.

The amendment was agreed to.

The joint resolution was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. SPENCE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 286, nays 54, not voting, 92, as follows:

[Roll No. 24]

YEAS—286

Abernethy	Coffin	Graham
Albert	Cole, Kans.	Granger
Allen, Calif.	Cole, N. Y.	Grant, Ala.
Allen, Ill.	Colmer	Gross
Almond	Combs	Hagen
Andersen	Cooley	Ha'e
H. Carl	Corbett	Hall
Anderson, Calif.	Courtney	Edwin Arthur
Andresen	Crawford	Halleck
August H.	Crosser	Hand
Andrews, Ala.	Curtis	Hardy
Andrews, N. Y.	D'Alesandro	Harless, Ariz.
Angell	Davis, Ga.	Harris
Arends	Davis, Tenn.	Harrison
Auchincloss	Dawson, Utah	Hart
Bakewell	Deane	Havenner
Barrett	Devitt	Hays
Bates, Ky.	D'Ewart	Hébert
Battle	Dingell	Hedrick
Beall	Dirksen	Herter
Beckworth	Dolliver	Heseltan
Bell	Domengeaux	Hess
Bennett, Mich.	Dondero	Hill
Blackney	Donohue	Hinshaw
Blatnik	Dorn	Hobbs
Boggs, La.	Doughton	Hoeven
Bolton	Douglas	Holmes
Bonner	Durham	Horan
Boykin	Eberharter	Howell
Bradley, Calif.	Ellis	Huber
Bramblett	Ellsworth	Jackson, Wash.
Brooks	Engel, Mich.	Jenkins, Ohio
Brophy	Fallon	Jenkins, Pa.
Brown, Ga.	Fellows	Jennings
Bryson	Fenton	Johnson, Calif.
Buchanan	Fisher	Johnson, Ill.
Buck	Flannagan	Johnson, Ind.
Buffett	Fletcher	Johnson, Okla.
Burke	Fogarty	Jones, Ala.
Burleson	Folger	Jones, Wash.
Busbey	Foot	Jonkman
Butler	Forand	Judd
Byrnes, Wis.	Fulton	Karsten, Mo.
Camp	Gamble	Kean
Cannon	Gary	Kearney
Carroll	Gathings	Keating
Case, S. Dak.	Gearhart	Kee
Chapman	Gifford	Keefe
Chelf	Gillette	Kefauver
Chenoweth	Gillie	Kelley
Chipherfield	Goff	Kennedy
Church	Gordon	Kerr
Clark	Gore	Kilburn
Clason	Gossett	Kilday

King	Murdock
Kirwan	Murray, Tenn.
Kunkel	Murray, Wls.
Lane	Nixon
Lanham	Nodar
Larcade	Norblad
Lea	Norman
LeCompte	O'Brien
LeFevre	O'Hara
Lesinski	Owens
Lodge	Pace
Love	Passman
Lusk	Patman
Lyle	Patterson
Lynch	Peden
McConnell	Phillips, Calif.
McDonough	Pickett
McMahon	Ploeser
McMillan, S. C.	Plumley
McMillen, Ill.	Poage
Madden	Poulson
Mahon	Price, Fla.
Maloney	Price, Ill.
Manasco	Priest
Mansfield, Mont.	Rayburn
Martin, Iowa	Redden
Mathews	Reed, Ill.
Meade, Ky.	Rees
Meade, Md.	Reeves
Michener	Richards
Miller, Calif.	Riley
Miller, Conn.	Robertson
Miller, Md.	Robson
Miller, Nebr.	Rockwell
Mills	Rogers, Fla.
Mitchell	Rogers, Mass.
Monroney	Rohrbough
Morgan	Russell
Morris	Sabath
Morton	Sadlak
Muhlenberg	Sadowski
Mundt	Sanborn
	Sasscer

NAYS—54

Banta	Hoffman
Bender	Jenison
Bennett, Mo.	Jensen
Bishop	Jones, Ohio
Brehm	Knutson
Carson	Lemke
Clevenger	Lewis
Clippinger	McCowan
Cole, Mo.	McGregor
Cotton	Morrow
Cunningham	Meyer
Elliott	O'Konski
Engle, Calif.	Phillips, Tenn.
Evins	Preston
Gavin	Ramey
Goodwin	Rankin
Gwinn, N. Y.	Reed, N. Y.
Gwynne, Iowa	Rich

NOT VOTING—92

Allen, La.	Fuller	MacKinnon
Arnold	Gallagher	Macy
Barden	Gerlach	Mansfield, Tex.
Bates, Mass.	Gorskl	Marcantonio
Bland	Grant, Ind.	Mason
Bloom	Gregory	Morrison
Boggs, Del.	Griffiths	Norrell
Bradley, Mich.	Hall	Norton
Brown, Ohio	Leonard W.	O'Toole
Buckley	Harness, Ind.	Peterson
Bulwinkle	Hartley	Pfeifer
Byrne, N. Y.	Heffernan	Philbin
Canfield	Hendricks	Potts
Case, N. J.	Holifield	Powell
Celler	Hope	Rabin
Chadwick	Hull	Rains
Clements	Jackson, Calif.	Rayfiel
Cooper	Jarman	Riehlman
Coudert	Javits	Rivers
Cox	Johnson, Tex.	Rooney
Cravens	Jones, N. C.	Ross
Crow	Kearns	St. George
Dague	Keogh	Sarbacher
Dawson, Ill.	Kersten, Wis.	Simpson, Pa.
Delaney	Klein	Stanley
Drewry	Landis	Taylor
Eaton	Latham	Thomas, N. J.
Elsaesser	Lucas	Towe
Elston	McCormack	Vinson
Feighan	McDowell	Wadsworth
Fernandez	McGarvey	Wilson, Tex.

So the joint resolution was passed.
The Clerk announced the following pairs:
On this vote:
Mr. Canfield for, with Mrs. St. George against.

General pairs until further notice:
Mr. Simpson of Pennsylvania with Mr. Clements.
Mr. Hartley with Mr. Cravens.
Mr. Latham with Mr. Rabin.
Mr. Towe with Mr. Cox.
Mr. Eaton with Mr. Rooney.
Mr. Coudert with Mr. Morrison.
Mr. Leonard W. Hall with Mr. Gorskl.
Mr. Brown of Ohio with Mr. Keogh.
Mr. Chadwick with Mr. Feighan.
Mr. Case of New Jersey with Mrs. Norton.
Mr. Wadsworth with Mr. Pfeifer.
Mr. Thomas of New Jersey with Mr. Vinson.
Mr. Riehlman with Mr. Klein.
Mr. Ross with Mr. Mansfield of Texas.
Mr. Sarbacher with Mr. Gregory.
Mr. Taylor with Mr. Heffernan.
Mr. Macy with Mr. Dawson of Illinois.
Mr. Fuller with Mr. Rayfiel.
Mr. Dague with Mr. Jarman.
Mr. McDowell with Mr. Celler.
Mr. MacKinnon with Mr. Stanley.
Mr. Grant of Indiana with Mr. Delaney.
Mr. Gallagher with Mr. Drewry.
Mr. Jackson of California with Mr. Barden.
Mr. Hope with Mr. Cooper.
Mr. Bates of Massachusetts with Mr. Byrne of New York.
Mr. McGarvey with Mr. Johnson of Texas.
Mr. Crow with Mr. Peterson.
Mr. Boggs of Delaware with Mr. Philbin.
Mr. Bradley of Michigan with Mr. McCormack.
Mr. Elsaesser with Mr. O'Toole.
Mr. Elston with Mr. Fernandez.
Mr. Griffiths with Mr. Powell.
Mr. Mason with Mr. Holifield.

Mr. GAVIN and Mr. COLE of Missouri changed their votes from "yea" to "nay." The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on House Joint Resolution 146.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PRINCETON UNIVERSITY BICENTENNIAL COMMISSION

The SPEAKER. Pursuant to the provisions of Public Law 367, Seventy-ninth Congress, the Chair appoints as commissioners of the United States Princeton University Bicentennial Commission the following Members on the part of the House to serve with himself: Mr. ANDREWS of New York, Mr. GAMBLE, Mr. MATHEWS, and Mr. FEIGHAN.

EXTENSION OF REMARKS

Mr. WOLCOTT asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. JOHNSON of California (at the request of Mr. HALLECK) was given permission to extend his remarks in the RECORD and include an address delivered by him at a convention of the American Legion at Indianapolis, Ind., on March 20.

Mr. CORBETT and Mr. SOMERS asked and were given permission to extend their remarks in the RECORD.

Mr. BUSBEY asked and was given permission to extend his remarks in the RECORD in two instances; to include in

one an address delivered by the Speaker over the American Broadcasting System on March 15 in behalf of the American Red Cross, and in the other an article appearing in the New Leader of March 15, 1947.

Mr. BONNER. Mr. Speaker, the gentleman from Virginia [Mr. BLAND] secured permission to extend his remarks in the RECORD and include therein an article entitled "Marine Operating Problems of the Panama Canal and the Solution Thereto." He has been notified by the Public Printer that this will exceed two pages of the RECORD and will cost \$266.25. Notwithstanding that fact, Mr. Speaker, I ask unanimous consent on behalf of the gentleman from Virginia that the article be printed in the RECORD.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. MILLS asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in today's issue of the Washington Daily News.

CALENDAR WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DELETION FROM RECORD

Mr. SABATH. Mr. Speaker, I ask unanimous consent to withdraw the statement I made on March 17 on page 2219 of the RECORD.

Mr. HOFFMAN. I object, Mr. Speaker.

REFERENCE OF BILL

Mr. VAN ZANDT. Mr. Speaker, after conferring with the chairman of the Committee on Foreign Affairs as well as the chairman of the Committee on Interstate and Foreign Commerce, I ask unanimous consent that the bill H. R. 1000 assigned to the Committee on Foreign Affairs be transferred to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. KELLEY asked and was given permission to extend his remarks in the RECORD and include a petition from the offices of the Independent Political Slovak Club of Monessen, Pa.

DELETION FROM RECORD

Mr. EVINS. Mr. Speaker, I ask unanimous consent that there be deleted from the RECORD that portion thereof entitled "From the Shoulder" which appeared in the Appendix of the RECORD on Thursday, March 20, 1947, at pages A1209 to A1210, inclusive.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PALESTINE

Mr. BENDER. Mr. Speaker, for a long time the American Government has been committed to the establishment of a Jewish homeland in Palestine. For a long time the British Government has been committed to the establishment of a Jewish homeland in Palestine. Following the recent war, the British, without consulting us, stopped the immigration of Jews into Palestine. After tremendous protest, the British Government jointly, with our Government, established an Anglo-American Commission which studied this problem, and after months of deliberation and investigation, recommended the admission of 100,000 Jews to Palestine. The British Government promptly reneged on the official Anglo-American Commission's recommendations for the admission of 100,000 Jews to Palestine.

Mr. Speaker, our good President, Mr. Truman, has been insistent, has several times called to the attention of the British Government the fact that this Government and the American people believe that in all justice and in line with the commitments made by the British Government and the American Government, that 100,000 Jews should be admitted to Palestine. This the British have persistently refused to permit, and day by day are driving refugees from Hitler Germany at the point of the bayonet into new concentration camps on the island of Cyprus. I sum up and refresh our memory on these facts because they have a most important bearing on our good President's request for \$400,000,000.

I wish to suggest that the British Government's word, and further, that its judgment, cannot be depended upon. They would have us believe that Greece is important to our security, but their actions prove that Greece is unimportant to their security.

Mr. Speaker, the important thing about the President's request for funds is this. We propose to enter the political and economic life of the Middle East in a decisive way. That means that we intend to have our say, probably to become the dominant power—international power—in Greece, Turkey, Syria, Lebanon, Palestine, Trans-Jordan, Egypt, Iraq, Iran, Yemen, Saudi Arabia, in short, in the whole Near East, Middle East area. It is impossible to propose that we should take hold of the situation in Greece and Turkey without entering, becoming responsible for the political, economic situation in every single near and middle-eastern country.

Mr. Speaker, the British say that they

need us to help them. Why then, do not the British give us an equal voice in the solution of the question of Palestine? If the British need us to maintain their position in the Middle East, if they need our \$400,000,000, why would not the British admit 100,000 Jews to Palestine? And why does not our State Department demand as a price for our even considering the question of advancing \$400,000,000 that the British at least live up to their official commitments now 30 years old? How in God's name can we trust the judgment of the British Government or the word of the British Government? How can we continue to pour out the money of American men and women when we witness now the daily violation of the word of honor of the British Government on Palestine. Mr. Speaker, I ask now, on the floor of the House, of our State Department, when will the British agree to the announced American policy for the admission of 100,000 homeless, hungry, Jewish refugees from Nazi oppression into their historic homeland?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MAHON, for March 20, on account of illness.

To Mr. CHADWICK (at the request of Mr. HUGH D. SCOTT, JR.), for today, on account of illness.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. Boggs] is recognized for 30 minutes.

Mr. BOGGS of Louisiana. Mr. Speaker, I ask unanimous consent to include in my remarks an editorial from the St. Louis Post-Dispatch dated March 16, 1947; an editorial from Life magazine of March 17, 1947, entitled "Our Foreign Policy Crisis"; and an editorial from the New Orleans Item dated March 19, 1947, entitled "America's Great Opportunity."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

CREATION OF A UNITED STATES OF EUROPE

Mr. BOGGS of Louisiana. Mr. Speaker, I have today introduced a resolution which, if adopted, will put the Congress of the United States on record as favoring the creation of a United States of Europe. It is a simple resolution consisting of one sentence: "That the Congress favors the creation of a United States of Europe within framework of UN." The resolution, in my opinion, is timely and vital. It comes at a time when people all over America are repeating President Truman's assertion of last week when he addressed us on Greece that "Nobody knows where this will lead us," and it comes at a time when all thoughtful Americans are asking "After this, what?"

I believe that the vast majority of the Members of this body are in accord with our President on the necessity of rescuing Greece and the Near East from the aggressive communism sponsored by

Calendar No. 71

80TH CONGRESS
1ST SESSION

H. J. RES. 146

IN THE SENATE OF THE UNITED STATES

MARCH 24, 1947

Read twice and ordered to be placed on the calendar

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That (a) notwithstanding any other provisions of law, the
4 Emergency Price Control Act of 1942 (56 Stat. 23) ; the
5 Stabilization Act, 1942 (56 Stat. 765) ; title III of the
6 Second War Powers Act, 1942 (56 Stat. 177), and the
7 amendment to existing law made thereby; title XIV of the
8 Second War Powers Act, 1942 (56 Stat. 177) ; and section
9 6 of the Act of July 2, 1940 (54 Stat. 714), all as amended
10 and extended, shall continue in effect with respect to sugar

1 to and including October 31, 1947, except that authority to
2 continue inventory controls over other than household users
3 may be exercised to and including March 31, 1948: *Pro-*
4 *vided, however, That—*

5 (1) the authority contained herein shall not be
6 deemed (i) to permit the allocation or rationing of any
7 product (other than the allocation of such product im-
8 ported or brought into the continental United States)
9 unless a regulation providing for allocation or rationing
10 thereof was in effect on February 18, 1947, or (ii) to
11 permit price control over any product unless a price-
12 control regulation with respect thereto was in effect on
13 February 18, 1947;

14 (2) no person shall be subject to any criminal
15 penalty or civil liability, under any such provision of
16 law, on account of any act or omission which is made
17 unlawful by section 4 of this Act;

18 (3) no provision of section 204 (d) or (e) of
19 the Emergency Price Control Act of 1942, as amended,
20 shall apply (i) in any proceeding, involving a regu-
21 lation or order with respect to sugar, in which an
22 injunction or other order of a court is hereafter applied
23 for, or (ii) in any proceeding, under section 37 of
24 the Criminal Code, which is based on a conspiracy

1 involving any act or omission which is made unlawful
2 by section 4 of this Act;

3 (4) in the case of any regulation or order with
4 respect to sugar, no protest may be hereafter filed
5 under section 203 of the Emergency Price Control Act
6 of 1942, as amended; and

7 (5) hereafter no person shall be required to secure
8 a license, and no license shall be issued to any person,
9 under section 205 of the Emergency Price Control Act
10 of 1942, as amended, for the purpose of providing for
11 the enforcement of any regulation or order relating to
12 sugar.

13 (b) Notwithstanding the provisions of any other law,
14 the Secretary of Agriculture, in exercising the allocation and
15 rationing authority transferred to him by section 3 of this Act,
16 shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, provide for the
17 needs of hardship cases, for the needs of new sugar users,
18 and for the needs of those who have no base period history.

20 (c) Nothing herein shall restrict the import of products
21 of consumer size containers of not more than three pounds
22 net each or more than one-half United States liquid gallons
23 each, providing importers of such products shall obtain
24 certification from the proper government officials of the

1 exporting country that products so shipped shall have been
2 produced out of domestic quota sugar.

3 SEC. 2. Prior to the expiration of the authority granted
4 by this Act, the Secretary of Agriculture is hereby authorized
5 and directed to remove any or all controls with respect to
6 any product over which control is authorized by this Act
7 when he determines that the supplies of sugar are sufficient
8 to warrant such action.

9 SEC. 3. (a) The powers, functions, and duties of (1)
10 the President under title III of the Second War Powers
11 Act, 1942, and the amendment to existing law made thereby;
12 (2) the President or any executive department under section
13 6 of the Act of July 2, 1940; (3) the Price Administrator
14 under the Emergency Price Control Act of 1942; and (4)
15 the President and the Price Administrator under the Stabi-
16 lization Act of 1942, all as amended and extended (and
17 irrespective of what officer, department, or agency may be
18 now exercising any such power, function, or duty) are,
19 insofar as they relate to sugar, hereby transferred to and
20 shall be executed by the Secretary of Agriculture.

21 (b) Every order, directive, rule or regulation relating
22 to any power, function, or duty transferred by subsection
23 (a) of this section, issued by any officer, department, or agency
24 heretofore performing such power, function, or duty, which
25 is not in conflict with the provisions of this Act and which is

1 in effect on the date of the enactment of this Act, shall con-
2 tinue in full force and effect, according to its terms, unless
3 and until modified or rescinded by the Secretary of Agri-
4 culture.

5 (c) So much of the unexpended balances of appro-
6 priations, allocations, or other funds, and the property, avail-
7 able for the use of any officer, department, or agency in the
8 exercise of any power, function, or duty transferred by sub-
9 section (a) of this section or for the use of the Secretary of
10 Agriculture in the exercise of any power, function, or duty so
11 transferred, as the Director of the Bureau of the Budget
12 shall determine, shall be transferred for use in connection
13 with the exercise of such powers, functions, or duties. In de-
14 termining the amount to be transferred, the Director of the
15 Bureau of the Budget may include an amount to provide for
16 the liquidation of obligations incurred against such balances
17 of appropriations, allocations, or other funds prior to the
18 transfer. Such personnel as the Director of the Bureau of
19 the Budget determines to be required may also be transferred
20 temporarily to the Department of Agriculture pending
21 termination in whole or in part of the powers, functions, and
22 duties transferred by subsection (a) of this section. There
23 are authorized to be appropriated to the Secretary of Agri-
24 culture such sums as may be necessary to carry out the pro-
25 visions of this Act: *Provided*, That nothing in this section

1 shall in anywise be construed to violate any of the Veterans
2 Preference Act of 1944.

3 SEC. 4. (a) It shall be unlawful for any person to do
4 or omit to do any act, in violation of any order, directive,
5 rule, or regulation continued in effect by section 3 (b) of this
6 Act or issued in the exercise of any power, function, or duty
7 transferred by section 3 (a) of this Act.

8 (b) It shall be unlawful for any officer or employee
9 of the Government, or for any adviser or consultant to the
10 Secretary of Agriculture in his official capacity, to disclose,
11 otherwise than in the course of official duty, any information
12 obtained under this Act, or to use any such information, for
13 personal benefit.

14 (c) Any person who willfully violates any provision of
15 this section shall, upon conviction thereof, be subject to a
16 fine of not more than \$5,000, or to imprisonment for not
17 more than two years in the case of a violation of subsection
18 (b) and for not more than one year in all other cases, or
19 to both such fine and imprisonment.

20 SEC. 5. As used in this Act—

21 (a) The term "person" includes an individual, corpora-
22 tion, partnership, association, or any other organized group
23 of persons, or legal successor or representative of any of the
24 foregoing, and includes the United States or any agency
25 thereof, or any other government, or any of its political sub-

1 divisions, or any agency of any of the foregoing: *Provided*,
2 That no punishment provided by this Act shall apply to the
3 United States, or to any such government, political subdivi-
4 sion, or agency.

5 (b) The term "sugar" means any grade or type of sac-
6 charine product derived from sugarcane, sugar beets, or corn,
7 including liquid sugar, sirups, molasses, or mixtures thereof,
8 and sugar-containing products, which contain sucrose, dex-
9 trose, or levulose.

Passed the House of Representatives March 21, 1947.

Attest:

JOHN ANDREWS,

Clerk.

80TH CONGRESS
1ST SESSION

H. J. RES. 146

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

MARCH 24, 1947

Read twice and ordered to be placed on the calendar

S. J. RES. 58

IN THE SENATE OF THE UNITED STATES

MARCH 24, 1947

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WHERRY to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, viz:

- 1 On page 2, line 20, before the period insert a colon and
- 2 the following: "*And provided further*, That in exercising
- 3 the authority extended by this joint resolution, the Secretary
- 4 of Agriculture shall allocate, and permit the purchase of,
- 5 refined sugar for home consumption at a rate of not less than
- 6 forty-five pounds per person per year."

S. J. RES. 58

AMENDMENT

Intended to be proposed by Mr. W^{HENRY} to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

MARCH 24, 1947

Ordered to lie on the table and to be printed

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 27, 1947
For actions of March 26, 1947
80th-1st, No. 57

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HIGHLIGHTS: Senate debated sugar-controls continuation. Senate discussed bill to pay grain bonus to those who sold before bonus was offered. Senate committee reported National Science Foundation bill. House committee reported bill to authorize CCC to support wool through 1948 and to sell it without restrictions.

SENATE

1. SUGAR CONTROLS. Began debate on S. J. Res. 58, to continue sugar controls and transfer them to this Department (pp. 2682-95, 2706). Debated an amendment by Sen. Tobey, N. H., to require sugar to be allocated for home consumption at not less than 35 pounds per capita per year and that any increase for allocation in 1947, over the amount recommended by the International Emergency Food Council for allocation to the U. S., shall be allocated for home consumption until the allocation equals 50 pounds of refined sugar per capita (pp. 2693-5, 2706). Rejected, 26-48, a motion to lay this amendment on the table (p. 2695).
2. GRAIN BONUS. Sen. Williams, Del., spoke against S. 669, to provide for payment of the 30-cents corn-wheat bonus to farmers who sold their grain before the bonus was announced, and Sen. Langer, N. Dak., spoke in favor of it (pp. 2704-6).
3. RESEARCH. The Labor and Public Welfare Committee reported with amendments S. 526, to create a National Science Foundation to promote the progress of science, advance the national welfare, etc. (S. Rept. 77)(p. 2675).
4. NOMINATION. Debated the Lilienthal nomination (pp. 2677-82).
5. FCIC AUDIT. Redeived the GAO audit report on FCIC for the fiscal year 1945 (see Digest 56); to Expenditures Committee (p. 2674).
6. PERSONNEL. Received from the Civil Service Commission a proposed bill to amend the Classification Act (see Digest 56); to Civil Service Committee (p. 2674).
7. FLOOD CONTROL. Received a Calif. Legislature memorial favoring flood-control

appropriations (p. 2674).

8. WAR POWERS. S. 931, as reported (see Digest 56) limits the powers under Title III of the Second War Powers Act to June 30, 1947, except for sugar and rubber; prohibits allocation of any item which was not being allocated on Mar. 24, 1947; and declares congressional policy that such powers be removed except in limited instances which should be provided for by specific legislation. The committee report states, "It is felt that the chronology...clearly indicates delay on the part of the executive department in supplying data and justification evidence to the committee". The report also lists the orders still in effect under the Act. It is expected that the bill may be taken up on the Senate floor today (p. D62).

HOUSE

9. WOOL PRICE SUPPORTS. The Agriculture Committee reported without amendment H.J. Res. 158, to authorize CCC, until Dec. 31, 1948, to support wool prices at the same price and on the same terms and conditions as in 1946, and to permit CCC, until Dec. 31, 1948, to dispose of wool owned by it without regard to any restrictions of law (H.Rept. 186) (p. 2769).
10. DEFICIENCY APPROPRIATIONS. Passed without amendment H.J. Res. 159, which includes items for increased pay costs of various agencies, not including this Department (pp. 2708-10). The bill had been reported earlier in the day (H.Rept. 185) (p. 2769). The Committee report states: "Upon the receipt of the budget estimate in February, the committee instituted a survey of the items proposed with a view to reducing such amounts wherever possible. The items included in the accompanying resolution aside from the legislative branch are for those agencies of the Government where the committee has completed its study and determined that no absorption, above that proposed in the budget estimate, can be expected...As to the other agencies of the Government, not included in the accompanying resolution, the committee has not completed its study and will make recommendations with respect thereto in a general deficiency bill to be reported to the House in the near future."
1. TAXATION. Began debate on H.R. 1, the tax bill (pp. 2711-68). During the discussion several members criticized the consideration of tax legislation before the legislative budget has been agreed to.
2. WILDLIFE; TRANSPORTATION. Received Mont. Legislature memorials urging Federal support in the control of predatory animals and action by the ICC to relieve the boxcar shortage (p. 2770).

BILLS INTRODUCED

3. FARM PROGRAM. S. Con. Res. 11, by Sen. Thye, Minn. (for himself and Sens. Aiken, Vt., and Young, N.Dak.), to establish a joint committee to study and investigate existing and pending agricultural legislation and the trends, needs, and problems of U.S. agriculture. To Agriculture and Forestry Committee. Remarks of author. (p. 2676.)
4. REPORTS; PUBLIC LANDS. S. Res. 97, by Sen. Butler, Nebr., to extend to May 31, 1947, the time in which the Public Lands Committee may report on 79th Congress investigations. To Public Lands Committee. (pp. 2676-7.)
5. HEALTH; FOREIGN AFFAIRS. H.J. Res. 161, by Rep. Judd, Minn., providing for membership and participation by the U.S. in the World Health Organization and

It is characteristic of Mr. Lilienthal and people who follow his philosophy to read greater powers into laws than were placed there. When they ask for authority, they ask it in broad terms; and that enables them to read a good deal more of their own powers into the law than Congress intended. We have seen this happen in the NRA, the WPA, FERA, AAA, lend-lease, the selective-service law, OPA, and dozens of other statutes over the last 15 years. Indeed, this is one of the most obvious characteristics of New Deal legislation, including the TVA.

Those who would govern us in this way subscribe to the belief that modern life has become too complex for the people to govern themselves. They believe that this is the day of experts, of a special managerial class to whom the people must grant broad powers. They imply, but do not say it in so many words, that they know best what is good for the people, and that the people are to do what they are told to do. Harry Hopkins, I believe it was, said that the people were just too dumb.

These experts want more than broad powers. They want us to set up a special Government authority, such as the TVA, for many great economic undertakings, and to entrust these authorities to experts. They want Government corporations, Government boards, Government commissions, and other Government agencies to be endowed with legislative, administrative, judicial, and enforcement powers combined. They want no one to interfere with them.

They want blank-check appropriations in huge amounts. They do not want to be hedged about in the use of money. They want the powers of eminent domain, so they may extend Government ownership to places where they want it extended. They want unrestrained power to plan things as they think best. They want to license, to control, and to order by directive. It is with this self-expressed philosophy of Mr. Lilienthal that I disagree.

Those who believe as Mr. Lilienthal does are impatient and dissatisfied with rule by the people through freely elected legislatures. They put up with Congress and with State legislatures only because they need them to get broad powers. It is a gesture to get popular support, just as the Nazi plebiscites were gestures of popular support, but otherwise meaningless.

Mr. Lilienthal prefers to operate in government by what is smoothly called modern management. What this would imply may be gathered from some of Mr. Lilienthal's views on this point. Writing in his book, *TVA—Democracy on the March*, Mr. Lilienthal declares:

The policies of lawmaking in the immediate past have been largely regulatory and negative: This shall not be done. The atmosphere of the legislature has, therefore, been heavy with this regulatory spirit, expressed in carefully limited responsibility, lack of trust, and forever setting one man to watch and checkmate another.

That is what Mr. Lilienthal thinks of legislatures. In other words, he does not approve of our three departments of

Government, which act as a check and balance upon each other. Mr. Lilienthal thinks it is a bad thing for law-making bodies to exercise limited powers over people. He thinks they are wrong when they enact laws in terms—as he says—"This shall not be done." He misses entirely the implications of this method in free government. By defining only what shall not be done, which the legislature does to protect the majority from the abuses of a few, the great majority of the people are left free to do all other things that are lawful and legitimate. This is the very essence of free government—a government of limited powers with all others reserved to the people.

Continuing his thinking, Mr. Lilienthal describes his preference for something like a managerial form of government in these terms:

The tradition and climate of the skill of management, however, are remote from all such negation. Management is affirmative and initiatory: "This is to be done." It is in the process of defining, with skill and sense, what is to be done, and with it the fixing of responsibility for results, with wide freedom for judgment in the managers as to how it may best be done, that you have the essence of the best form of modern management.

He was talking about what kind of authority we should give to the managers of governmental corporations. This passage is a perfect gem of authoritarian thinking. Consider for a moment the sentence, "Management is affirmative and initiatory: This is to be done." Applied to government, this is the heart of the dictatorial process. It quickly becomes government by decree, as we have seen in Germany, Italy, and Russia. Surely Mr. Lilienthal was not advocating this, but what he was expressing in government leads to this, as is shown throughout history.

Take another phrase in this remarkable paragraph—"with wide freedom for judgment in the managers as to how it may best be done." Reflect on that phrase for a moment; it has two dangerous implications: One is that the people are to surrender their own freedom of judgment to a small body called managers. The other implication is that means can be separated from ends when the people direct something to be done. Both of these ideas—the people's surrender of their freedom to managers and the separation of means from ends—are marks of totalitarian government; they have no place in the operation of good government in a free society, as in America.

The people left the regulation of the price system to the managers in the OPA, and our economy was all but ruined. Yet, Mr. Lilienthal would have us turn our affairs over to managers, give them broad powers, and then be told by them, "This is to be done." In other words, he does not want the Government to say, "This shall not be done"; he wants the managers, men outside the legislative body, to say, "This shall be done." He is naive enough to believe that the people can reserve to themselves the right to "fix responsibility." The answer to that

is written in the blood of people who have done so in recent history only to become the victims of persecutions, purges, and banishment to concentration camps when they complained against the managers who were trusted with power. When people surrender their freedom by broad grants of power to managers, presidents, fuhrers, or whatever we want to call them, they soon find themselves helpless to "fix responsibility." The grant of power soon makes protest impossible.

Mr. Lilienthal is enamored of government by experts. In the same book—*TVA—Democracy on the March*—Mr. Lilienthal says:

The experts, using the term in its broad, modern sense, have a central role to play not only in the development of harmony between private interests and public interest, but in every facet of modern living. The people and the experts: The relation between them is of the greatest importance in the development of the new democracy. For people are now helpless without the experts—the technicians and managers (p. 108).

This will require some drastic changes in the prevailing relations between experts and the people, both in industry and in government (p. 108).

What drastic changes? They are implicit in all of Mr. Lilienthal's writings. Give broad powers to the managers. Leave them free to do what they think is best for us. Let the managers say: "This is to be done." Let them plan, control, and direct. Reserve to the people only the privilege to fix responsibility—that is, after the deed is done. That is the essence of his thinking.

It is also the perfect framework, not of democracy, but of the authoritarian state, the totalitarian state. It begins with good managers partially checked by the people. It progresses step by step to the point where the people are progressively the wards of the managers. Correspondingly the powers of the managers are enlarged, deepened, and strengthened by the institutions and bureaucracy they set up. In time it becomes benevolent despotism, and finally tyranny.

The most mystifying thing about this process is that it is called democracy. Russia at this very moment proclaims her methods to be democratic. Yet from every test we apply we know Russia is the opposite of a democracy. Her people have given all power to the commissars, who say "This is to be done"; they have given power to the experts who set up the 5-year plans; and now the Russian people are not free to "fix responsibility"; they cannot speak freely; they cannot write freely; they cannot even move freely about their own country; and if they are dissatisfied with all of this they cannot change their managers. Yet that is called democracy; and that is what comes when the people surrender the freedom to decide their own destiny. Mr. Lilienthal would shrink from such a system. He would be one of the first victims of it. Yet his whole approach to modern government will take us down the same tragic road.

In a TVA, an RFC, an OPA, and in other agencies of Government small

enough to be subject to the greater power of Congress, the people have a check upon totalitarian trends. We can repair the harm if the pendulum swings too far in encroachment upon the people's liberties. Still in possession of reserved powers and exercising them democratically, the people can afford the luxury of some of these would-be czars who undertake to manage our lives for us. But extend the system step by step, turn more and more powers over to these experts and their managers, and the time will not be far distant when freedom will be wholly lost. We shall be told "This is to be done," and we shall be powerless to think or do otherwise.

Development of the atom bomb should not be in the control of people who are so naive as to think they can manage our affairs without also leading us down the road to tyranny. Why did we take this power out of the hands of the military and place it in civilian hands? We did it because many people were fearful of the military frame of mind. Well, I am fearful of the authoritarian frame of mind—of the people who would push Government ownership, planning, management, and control over our lives. I am convinced that no matter how good his intentions may be, Mr. Lilienthal falls within that group.

Having a crusading attitude, these experts drive toward goals of their own making even if they have to resort to twisted statistics, to subterfuge to get around the law, and to propaganda tactics. They make alliances with individuals and groups operating among the people in order to contrive a measure of support.

Always the grand design is for expanded Government ownership, planning, spending, and controls. Always the direction is toward greater centralization in the hands of the expert few. Inevitably the result is progressive loss of the people's freedom and of free institutions. Behind the veneer of paternalism which marks this development lies the shadow of benevolent despotism so common in the history of the past. And benevolent despotism invariably passes into tyranny. We do not want this to happen here. When I look at this entire situation and consider my responsibilities to the people of Michigan and of the United States I cannot vote to confirm Mr. Lilienthal's nomination.

EXTENSION OF SUGAR CONTROLS

The Senate resumed the consideration of the resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Mr. TOBEY. Mr. President, at long last the joint resolution relating to sugar is before the Senate. Probably no piece of legislation will affect more people individually and in groups than that which we are considering today. The history of the proposed legislation is that some weeks or months ago a measure was introduced and referred to the Committee on Banking and Currency, and considered by a subcommittee of that committee, of

which the distinguished Senator from Vermont [Mr. FLANDERS] was chairman. The subcommittee held extensive hearings, and after their deliberations were concluded they reported a measure to the full committee. The full committee then met, considered the subject, and by a vote of 10 to 3, reported Senate Joint Resolution 58 which is now before the Senate.

For some time we have been trying to have this measure considered and acted upon by the Senate, but in vain. Now, if ever it can be said truly that time is of the essence, it can be said of this proposed legislation because of the fact that sugar controls expire next Monday, and sugar legislation passed by the Senate today must of necessity go to conference so that the differences between it and similar legislation passed last week by the House by a large majority may be reconciled. Time is rapidly passing, and so far as it is in my power I shall confine myself to as few remarks as possible, and I hope that will be the policy followed in connection with the consideration of the measure this afternoon.

Mr. President, the motivating factor which prompted me, at least, and I believe most, if not all of my fellow Members on the Senate Banking and Currency Committee to vote to report Senate Joint Resolution 58 favorably to the Senate, was the promise that under this measure the housewife and the members of her family would get a minimum of 35 pounds of sugar per capita for the coming year. That represents a general increase of about 10 pounds per capita over last year's rations.

I may interpolate that last year householders received a total of 25 pounds of sugar, 10 pounds being earmarked for canning. This year, the calendar year 1947, they will receive 35 pounds with no earmarking at all, which is an increase of 40 percent over the amount given them last year.

There are no definite statistics which indicate the exact amount used in home consumption before the war, but the Department of Agriculture has informed our committee that the best information available tends to indicate that 50 pounds per capita constituted the normal pre-war home consumption figure.

Now, there is a possibility that the United States may receive, this year, an additional amount of sugar over that previously estimated. For instance, Mr. James H. Marshall, Chief of the Sugar Section, Department of Agriculture, in a telephonic conversation with sugar experts in Cuba on March 15, 1947, was informed that if the present weather conditions continue to be favorable in that country, there may be an increase of 300,000 short tons of sugar in the Cuban crop over the estimate upon which allocations from that source were made to the various countries by the International Emergency Food Council. That does not mean that the United States will receive those 300,000 short tons. The International Emergency Food Council, of which this country is a member, will allocate any increase to all countries to fill in that amount previously allocated to the var-

ious countries which was to come from undesignated sources. For instance, the United States was to receive 6,800,000 short tons of sugar, 200,000 short tons of which were to come from undesignated sources. The United States will receive their aliquot share to fill in that undesignated sources allocation. However, the fact remains that this country may receive from an increase in the Cuban yield or an increase in other sources, a larger amount of sugar than was previously estimated for the coming year.

Bearing these facts in mind, I desire to offer an amendment designed to achieve two desired results. First, I wish to convert the present promise of a 10-pound per capita increase into an assurance, written into the law, that the housewife and the members of her household shall not receive less than the promised 10-pound increase per capita. Secondly, in case there is an over-all increase there will be strong pressure, on the part of commercial sugar users, to obtain the benefit of that increase. To protect the Department of Agriculture against such pressure, this amendment would write into the law a requirement that any increase in the national sugar supply shall be allocated for home consumption until the prewar level of 50 pounds per capita is reached.

So, Mr. President, I now submit the amendment which I have outlined in my remarks as an amendment to the committee amendment.

The PRESIDENT pro tempore. The amendment submitted by the Senator from New Hampshire to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 2, line 20, before the period, it is proposed to insert a colon and the following: "And provided further, That refined sugar shall be allocated for home consumption at a rate of not less than 35 pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals 50 pounds of refined sugar per capita."

The PRESIDENT pro tempore. The question is on agreeing to the amendment by the Senator from New Hampshire to the committee amendment.

Mr. TOBEY. Mr. President, I also submit, as an amendment to the pending bill, an amendment covering and safeguarding the civil-service status of veterans of all wars as this transfer is made from the OTC, formerly the OPA, to the Department of Agriculture under Clinton P. Anderson, the Secretary.

The PRESIDENT pro tempore. The amendment submitted by the Senator from New Hampshire will be received, printed, and lie on the table.

Mr. TOBEY. Mr. President, at this point I should like to have printed in the RECORD several telegrams bearing on the need for speed and the urgency of continuing the sugar controls

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., March 26, 1947.

Senator CHARLES W. TOBEY,
Chairman, Senate Banking and
Currency Committee,
Senate Office Building,
Washington, D. C.:

We urge you to do all in your power to see that pending legislation continuing sugar rationing is passed by Senate immediately. Untold hardship to some 24,000 small-neighborhood retail bakers will result otherwise, likewise householders and many other small industrial users of sugar will be affected. Your help will be appreciated.

FRANK G. JUNGWAEHLER,
Secretary, Associated Retail
Bakers of America.

WASHINGTON, D. C., March 26, 1947.

Hon. CHARLES W. TOBEY:

We are gravely concerned over the delays in getting Senate action on Senate Joint Resolution 58, since March 31, 1947, is the dead line for the President to sign the law, making possible the orderly decontrol of sugar by March 31, 1948. It is the considered opinion of persons best qualified to forecast sugar trends that if the Senate fails to take favorable action immediately, April 1, 1947, will usher in the most disastrous period for growers, refiners, distributors, industrial users, and the many tens of thousands of small business dependent on sugar for their products. Under sudden decontrol now, the greatest scarcity and maldistribution would most likely occur in the distribution channels serving small business and the housewife. The resulting business failure, unemployment, and the loss of large outlets for many agricultural products can be avoided by prompt Senate action. We respectfully solicit your assistance.

American Bakers Association, American Bottlers and Carbonated Beverages, The American Bulk Condensed Milk Association, Associated Grocery Manufacturers of America, Associated Retail Bakers of America, Cocoa and Chocolate Manufacturers Association, Dairy Industry Committee, International Association of Ice Cream Manufacturers, National Association of Food Chains, National Association of Frozen Food Packers, National Association of Retail Ice Cream Manufacturers, National Candy Wholesalers Association, Inc., National Confectioners Association of the United States, National Preservers Association.

CHICAGO ILL., March 25, 1947.

Senator CHARLES W. TOBEY,
Chairman, Senate Banking and
Currency Committee,
Senate Office Building,
Washington, D. C.:

Control of sugar will end on March 31 with the ending of the Second War Powers Act. Joseph M. Creed testified before your committee for bakers, and many others testified for other industrial users and urged the continuation of sugar rationing in the interest of all consumers. We urge you to do all in your power to see that pending legislation continuing sugar rationing is passed by both Houses immediately. Untold dislocations and hardships will result otherwise. Your help on this extremely important matter will be greatly appreciated. Many thanks.

C. P. BINNER,
President, American Bakers Association.

Mr. TOBEY. Mr. President, I shall not speak further on this subject except to say that the distinguished Senator from Vermont [Mr. FLANDERS], who has

very conscientiously and faithfully conducted the deliberations in the committee, will now, at the request of the committee discuss the sugar situation as he sees it, presenting his views after conferences in the committee room.

Mr. FLANDERS obtained the floor.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. TOBEY. I ask if the Senator from Vermont will yield so I may suggest the absence of a quorum. The subject before us is an important one. Only a bare handful of Senators are present. It is not the way to legislate.

The PRESIDENT pro tempore. Does the Senator from Vermont yield for that purpose?

Mr. FLANDERS. I yield for that purpose.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Myers
Ball	Hawkes	O'Connor
Barkley	Hayden	O'Daniel
Brewster	Hickenlooper	O'Mahoney
Bridges	Hill	Overton
Brooks	Hoey	Pepper
Buck	Holland	Reed
Bushfield	Ives	Revercomb
Butler	Johnson, Colo.	Robertson, Va.
Byrd	Johnston, S. C.	Russell
Cain	Kem	Saltonstall
Capehart	Knowland	Smith
Capper	Langer	Sparkman
Chavez	Lodge	Stewart
Connally	Lucas	Taft
Cooper	McCarran	Taylor
Cordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Thomas, Utah
Downey	McFarland	Thye
Dworshak	McGrath	Tobey
Eastland	McKellar	Umstead
Eaton	McMahon	Vandenberg
Ellender	Magnuson	Watkins
Ferguson	Malone	Wherry
Flanders	Martin	White
Fulbright	Maybank	Wiley
George	Millikin	Williams
Green	Moore	Wilson
Gurney	Murray	Young

The PRESIDING OFFICER (Mr. YOUNG in the chair). Eighty-seven Senators have answered to their names. A quorum is present.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. TOBEY. I should like to ask where the 87 Senators are. I suggest sending to the Bureau of Missing Persons.

Mr. WHERRY. Mr. President, will the Senator yield for a moment on that very point?

Mr. FLANDERS. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to have the RECORD show that four committees, namely, the Committee on Foreign Relations, the Committee on Banking and Currency, the Committee on Finance, and a subcommittee on housing and rents, have obtained unanimous consent to hold meetings this afternoon—and some of them through the entire week—during sessions of the Senate. It is becoming obvious that if we continue that practice there will not be a quorum in the Senate to transact business. I think it is sufficiently important at least for those who are responsible for conducting the

Senate sessions to begin to object to such unanimous-consent requests.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Tennessee.

Mr. STEWART. I think the Senator from Nebraska is entirely correct. At the beginning of this session of Congress, I thought the Senate would undertake to observe at least the intent of the Reorganization Act. It is not only embarrassing at times, but it is difficult for Members of the Senate to carry on committee work and keep up with what is going on in the Senate Chamber. I think the Senate should put a stop to this practice early in the session. Either the Senate should resume the program of meeting every other day, holding three meetings a week, permitting committees to work likewise on an every-other-day basis, or we should put a stop to this practice before it goes too far.

I agree with the Senator from Nebraska.

Mr. WHERRY. I should like also to include in my previous statement that the Subcommittee on Indian Affairs of the Committee on Public Lands is holding a hearing this afternoon. They have unanimous consent to meet this afternoon. Yet we have this important measure before us, which must be passed, as the distinguished chairman of the Committee on Banking and Currency has told us. I shall certainly bring this question up at our next policy meeting. We must discontinue granting such unanimous-consent requests if we are to have a session of the Senate every day in the week.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from New Hampshire.

Mr. TOBEY. Amplifying the remarks of the distinguished Senator from Nebraska, the pending legislation is of interest to every person in the United States. A large part of our national economy is involved in the proposed legislation. Very few Senators are in the Chamber, and yet the Senate as a whole must vote on the joint resolution. There is hardly a Senator who has read the hearings. Most of them rely upon what is said on the floor to guide them in their determination. How can they vote intelligently if they are not present to hear the evidence given by proponents and opponents of the legislation? It is possible to have a good cause lost or a bad cause thrust upon us because of inadequate information, due to the nonpresence of Members on the floor. I recognize the conflict because of special meetings of committees. But I agree with the Senator from Nebraska [Mr. WHERRY] that the question of policy should be determined.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. CAPEHART. I should like to have the RECORD further show that this is additional proof that the Reorganization Act, for which I voted, and for which I am sorry, is unworkable.

Mr. FLANDERS. Mr. President, the joint resolution which is now before the

Senate contains a number of provisions, but the overriding one is the authorization to extend sugar rationing and price control under the administration of the Secretary of Agriculture until March 31, 1948. The decision to report such a measure is the result of the collection of much data, long consideration, and thorough discussion. While the committee had a sizeable majority in favor of reporting the joint resolution to the Senate, opinion on this matter was by no means unanimous. The reasons for this are not far to seek. The subject is very complicated, and furthermore, some elements of judgment must enter into the final decision. It is comparatively easy to collect statistics on the production, distribution, cost, and pricing of sugar which all will agree, in general, to be reliable. It is likewise possible, with little disagreement, to review the facts of the results of sugar rationing and price control to date, and even to agree on some of the lessons to be drawn therefrom. But when an endeavor is made to extend past and present information into the future, and particularly when it is necessary to protect what the interests and desires of many millions of sugar users will be and how they will affect a given situation under controlled markets or free markets, we must forego the sure guide of mathematical logic and base our final conclusions on judgment. It is essential to get the most experienced and disinterested judgment possible in such a case.

As a basis for forming our own judgment, the committee held a series of three hearings. In the first of these we listened to Government officials. These included Mr. Francis A. Linville, of the State Department, whose responsibilities are concerned with the world-wide allocation of sugar under the International Emergency Food Council. There also appeared Mr. James H. Marshall, Director of the Sugar Branch of the Department of Agriculture, and Mr. George A. Dice, head of sugar rationing in the Office of Price Administration.

A second session was held to hear proponents of continued sugar rationing and price control. These included representatives of all branches of the industry, including producers, refiners, distributors, and industrial users in every important line of production. The third and last hearing was open to opponents of the program set forth in the joint resolution. These included a group of industrialists who were not in sympathy with the major group which attended the second hearing.

As a result of the hearings and subsequent discussion, the pending joint resolution has been prepared. As already stated, it was not reported unanimously, but by a substantial majority. For reasons already explained, this was not an unexpected result, since the subject of this proposed legislation is one on which reasonable men may not come to perfect agreement. It is important that the facts and reasoning back of the joint resolution be presented in some detail so that each Member of the Senate may have a basis on which to form his own judgment.

The purpose of the joint resolution itself is stated in the preamble:

Joint resolution to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes

Whereas the war has resulted in an acute shortage of sugar to an extent which is impairing the reconversion of the national economy from war to peace; and

Whereas it is in the interest of national defense and security to effectuate an orderly distribution of sugar at reasonable prices in order to prevent profiteering, hoarding, market manipulation, and speculation in sugar and waste or spoilage of perishable agricultural commodities and to prevent or eliminate other disruptive practices arising out of the scarcity of sugar: Therefore be it

Resolved—

And so forth. Section 1 extends price control under the Price Control Act and the Stabilization Act of 1942, export control under the so-called Export Control Act, and allocation and rationing under title III of the Second War Powers Act, beyond their present termination dates of June 30, 1947, for price and export controls, and March 31, 1947, for allocation and rationing. Title XIV of the Second War Powers Act, relating to the utilization of certain vital war information, is extended until March 31, 1948. Section 1 of the joint resolution also authorizes the allocation of sugar without regard to the provisions of title II of the War Mobilization and Reconversion Act of 1944. In substance this permits the Secretary of Agriculture to use discretion in the allocation of available supplies.

Section 1 of the joint resolution, as received from the Senate, has been amended by the committee to provide that the authority contained therein shall not be deemed to permit the Secretary to exercise price, allocation, or rationing control of any product which was not controlled on February 18, 1947, except that allocation control of products imported into the continental United States could be exercised even though not controlled on that date.

Section 2 of Senate Joint Resolution 58, as amended, relates to decontrol of sugar and provides that the Secretary of Agriculture shall remove such controls when he determines that the supplies of sugar are sufficient to warrant such action. This decontrol provision supersedes the present decontrol provisions of the Price Control Act, including those relating to action by the Price Decontrol Board.

Section 3 vests in the Secretary of Agriculture sole responsibility for the administration of sugar controls carried out pursuant to the statutes extended by section 1. Section 3 also continues in full force and effect all orders, directives, rules, and regulations relating to the functions so transferred, until modified or revoked by the Secretary of Agriculture. Unexpended balances of appropriations and property available to the respective agencies in the exercise of the functions transferred are transferred to the Secretary of Agriculture. The last provision has been enlarged by the committee to include an amount to liquidate obligations against such ap-

propriations incurred prior to transfer, and to authorize the transfer, on a temporary basis, of such personnel as may be needed in the exercise of the functions transferred.

Mr. SALTONSTALL. Mr. President, will the Senator yield at this point?

Mr. FLANDERS. I yield.

Mr. SALTONSTALL. I have received a letter from the American Legion office in Washington concerning the word "temporarily," on page 4, in line 18. They take the position that if that word is left in the joint resolution it will adversely affect veterans. I understand from the chairman of the committee that that word has now been deleted. The Senator from Vermont read it just now. Do I correctly understand that that word has been or will be removed?

Mr. FLANDERS. By an amendment which the Senator from New Hampshire will present, that word will be clarified in a way, I am sure, to preserve all the rights that veterans would have had if they had remained under OPA.

Mr. TOBEY. That amendment, Mr. President, has already been presented.

Mr. FLANDERS. Yes. It makes clear that no employees so transferred would have any retention rights in the Department of Agriculture when the functions transferred have terminated. Section 3 also continues all provisions of existing orders, directives, rules, and regulations pertaining to sugar, for the purpose of sustaining any proper suit, action, or other proceeding with respect to violations, liabilities incurred, or appeals taken thereunder.

Section 4 provides that the provisions of the joint resolution shall become effective immediately upon its enactment.

Under the provisions of Senate Joint Resolution 58, as amended, the Secretary of Agriculture is given discretionary power to terminate price control and rationing of sugar at any time prior to March 31, 1948, if conditions warrant such termination. The committee is confident that Secretary Anderson will use this discretionary authority if it is possible to do so, and at the earliest possible date.

What are the purposes of the joint resolution thus briefly described? The obvious purpose of price control is to keep prices from going abnormally high. The obvious purpose of rationing is to insure an equitable distribution of the product. Is there danger that prices will become unreasonably high and that distribution will be seriously inequitable for any length of time if rationing is removed? These are the questions which have to be answered.

Of the sugar produced by us or allocated to us from foreign production, there are two principal classes of users—industrial users and household users. The categories of industrial users include bakers, soft-drink bottlers, ice-cream manufacturers, confectioners, and producers of jams, jellies, preserves, and other canned fruits. In general this group is satisfied with present rationing and price-control regulations, and would like to see them continued. This is not

strange. At current costs of sugar and at the current price which sugar shortage has made possible, the possibilities of profit in these food and drink and confectionery industries are not only excellent but are stabilized. Most of the uncertainties are removed and the businessman engaged in the use of sugar can pursue the even tenor of his way without having to lie awake nights wondering whether to play his inventory close or to lay in a large stock in fear of anticipated rises or short supply.

In addition, there is a certain protection of his position, so far as new competition is concerned, although this protection is by no means 100-percent effective, since some provisions are made for new industrial users, particularly if they are veterans; and, in addition, new restaurants, hotels, and so forth, as well as some other categories of new enterprise, are allowed access to the supply of sugar.

All this adds up to saying that under present rationing and present prices, industries are safe, have a certain measure of protection from competition, and, for the most part, would prefer that safety to the scramble and uncertainty that would follow the end of a controlled market.

The housewife is in many respects in a different position. If her family is composed of adults, she has been on short rations throughout the war. If she has small children in the family, the present allowance has permitted more generous portions for the other people. If she lived in the city, the allowance may have been sufficient most of the time. Had she lived in the country she would have had to, and did, cut down on the canning and preserving which play such a large part in country families, and even in many village, town, and city families. In consequence of this decrease in her supply of preserving sugar she has been in the market for commercial preserves and canned fruits, for which she has had to pay, in terms of the sugar furnished, many times what would have been the case could she have done her own preserving.

The price at which she might have to buy her sugar, were controls removed, would be of importance to her; but its total effect on the family budget would still be comparatively small, since it is such a small item in the home. Her real concern under any reasonable price possibilities is to get what sugar she needs, when she needs it. This must furnish the basis of our judgment as to whether and how, controls shall be continued on sugar. Will the end of controls now so disrupt the distribution of this commodity that the housewife will have more trouble than now in getting as much as she wants, when she wants it? On the other hand, will continuation of controls, to the extent proposed, meet her desires more successfully in this respect?

Another question may well be raised at this point. With all of us convinced that controls are undemocratic and in the long run destructive of the interests and rights of the people as a whole, can we be assured that their continuance at this time will lead us in the future to a period when they may be more safely relinquished than now?

The sum of all this is that the key to our legislation on the pricing and rationing of sugar is the best interest of the American housewife. No other consideration compares with this in importance. Will continuance or immediate repeal be in her interests?

Everyone expects a period of disorganization in prices and supply immediately at the end of controls, even under the best conditions. A free market price and even distribution cannot come automatically into action immediately or even in a few days' or a few weeks' time after the end of control. It is easier to get hold of a bull's tail than to let go of it. It is easier to establish controls than it is to relinquish them. A lot of dust will be raised and some fast footwork will be necessary when it comes to letting go, and there may be some casualties.

The primary consideration is that there shall be enough sugar in primary stocks, in transportation, and on retailers' shelves throughout most of the Nation so that the housekeeper shall be able to purchase freely at a reasonable price. If controls are taken off when stocks are short or unevenly distributed the country over, and if the purchasers find that they cannot purchase as much as they desire, we are going inevitably to have a run on sugar which will both drive hundreds of thousands or even millions of tons out of circulation and at the same time increase its price far beyond that which would be reasonable under normal supply and demand conditions.

We have to admit that at least twice in our recent history the American family has exhibited a tendency to hoard sugar if the head of the household suspected that the supply was short. This was true in 1920. A run of purchasing and hoarding was initiated in 1939 and if supplies are not on hand in 1947 or 1948 or whenever controls are taken off, the same process will be repeated.

The conditions in some respects will be worse than they were in 1920. Available world supplies are less. The Philippines are not yet in full production. The sugar stocks of Java, now doubtless much depleted, are still surrounded by a blockade until political arrangements have been completed between the Dutch and Indonesian governments. There was far more destruction of the beet sugar production in Europe and consequently there will be a slower recovery. All of this is an added danger as compared with the situation in 1920.

It is not necessary to examine in detail the controversies about the various production and stocks figures to see the dangers of decontrolling sugar now or providing definitely for such termination on October 31. Most of the controversy about the production and stocks figures boils down to disputes about 300,000 or 400,000 tons of sugar at the outside. If international obligations are recognized, and if it is recognized that the 1947-crop beet sugar cannot be consumed before it is produced, the picture is clear. The Department of Agriculture has assured us that all the 1947-crop beet sugar which can be moved into consumption in 1947 will be so moved; however, the fact that beet sugar is not produced until the last

quarter limits the quantity which can be moved into consumption before the end of the year, and therefore, there is necessarily a large increase in year-end stocks in a year when we are fortunate enough to have a large beet crop. It is also pointed out that the most optimistic estimates of the Cuban crop will not provide enough additional sugar to fill by itself the quantities already allocated from undesignated sources.

The gap between the 6,800,000 tons now indicated as available for the United States in 1947 and the estimated requirements under a free market is about 1,000,000 to 1,500,000 tons. Therefore, it is evident that even if we should be able to get a few hundred thousand tons of sugar in addition to the 6,800,000 tons, such additional quantities would not be sufficient to narrow the gap between supplies and requirements to a point which would prevent burdensome price increases, undue price fluctuations and disorderly and inequitable distribution.

The compelling idea behind this bill is that there is not now enough stock, enough sugar in the warehouses, in transportation, or in the refineries to prevent a serious price rise; and, more seriously, a wild scramble for the available supply.

It is true that we are having bumper crops of sugar in Cuba. It is possible that the size of the crop previously estimated at 5,500,000 tons may be several hundred thousands of tons more than that amount when it is finally harvested and processed. The first priority on any increase in Cuban sugar production must be to fill this 700,000-ton deficiency. Furthermore sugar is moving to our Atlantic and Gulf seaboard more slowly than normal due to transportation difficulties. At the best it will not begin to come through the refineries ready for distribution in any large volume before May and June if past history is any guide. We would therefore have at least two months of shortage and widespread hoarding before the new supply could make its effect and even then the new sugar would not come into a normal market but into one which had been depleted; and it would be doing so at the very time when the peak demand occurs due to the commercial and household preservation of fruit.

This would tend to spread the overbuying and hoarding of the well-to-do and fortunate buyers on the eastern border of the country, while the West, already using up its beet-sugar supply in the normal course of events, would all the more frantically join in the hoarding process. This would result in the added complication of shipping some of the Cuban sugar to the beet-sugar regions which normally depend upon their own supply, in this case hoarded because of a run on the market.

The expectation that this would occur during the summer, when the canning demand is at its highest, disrupts the situation so far as the American housewife is concerned, and she is our principal concern. It is she whom this measure is intended to protect. There is in the minds of the sponsors of the bill no doubt whatever that we would be doing her a disservice in removing controls at this time.

But when is a good time? To come to a proper judgment on this matter we can do no better than to suggest a close analogy between a run on sugar supplies and a run on the cash of a bank whose supply of cash is dubious.

In times past, when the American housewife has suspected a short supply of sugar she has bought more than she needed. This is no different than the natural impulse of the bank depositor to withdraw his cash if he suspects the bank has a short supply. The bank may well be solvent so far as normal operations are concerned, but can be made insolvent by a run of withdrawals.

That fear which leads depositors to begin withdrawals from a bank has been mitigated by the provisions of deposit insurance. An ample supply to meet an emergency has been made available through the Federal Reserve System. There is no sugar insurance, and there is no sugar-reserve system to draw on. In other words, there is no substitute for a well-distributed stock of the commodity when controls are taken off.

When can we have this well-distributed stock in the commodity of sugar which will warrant the removal of controls?

Most fortunately we can foresee the time. The unusual Cuban sugar crop expected this year will permit a more liberal distribution of sugar to consumers and at the same time leave some over to help fill the pipe lines and the shelves.

Mr. BUTLER. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield to the Senator from Nebraska.

Mr. BUTLER. The Senator from Vermont just made the statement that there would be no controls over the movement of sugar in case present controls were removed. I should like to ask him this question: Suppose all controls were off as of any certain date, and those who had sugar for sale were not satisfied with the price that was available. There would be a tendency to hold back, would there not, just as in the case of any other commodity?

Mr. FLANDERS. There would be.

Mr. BUTLER. If the price were sufficiently interesting and profitable there would be a tendency to move the supply into the market. It is exactly the same control we have had over the movement of all commodities during all history, and it is, I think, the only control which the people of the United States want for a permanent diet.

Mr. FLANDERS. I agree with the Senator from Nebraska in saying that the control of supply is normally and properly through price. The question arises whether the price will be excessive, whether it will lead to a boom and bust as in 1920. Furthermore, I call attention to the fact that if sufficient supplies are not in sight it will begin to affect the distribution before controls are released, because, 1 month, 2 months, 3 months—heaven only knows how long—before an announced date for taking off controls, there will be inevitably a tendency on the part of those who possess sugar at any stage of production and distribution to hold it with the expectation of the higher price coming immediately

after the relinquishment of control. So I still conclude, while agreeing with the Senator from Nebraska, that the evidence, physical evidence, statistical evidence, of a strong supply of the commodity is in the long run the only safeguard against its getting out of hand.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Nebraska.

Mr. BUTLER. I agree thoroughly with the statement made by the Senator from Vermont. I do not know at what date he is ultimately going to arrive, in his recommendation, but in that connection I personally state that I favor the date October 31, for the exact reason that the Senator from Vermont has just given namely, the prospect of a good supply October 31 is just ahead of or at the beginning of the movement of the beet-sugar crop, and October 31 is only slightly ahead of the date the cane off-shore crop begins to move. So we are removing controls at the time when there is the largest prospective movement or available supply of the commodity under consideration.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senior Senator from Vermont.

Mr. AIKEN. I should like to ask my distinguished colleague if he does not think, inasmuch as there is going to be a tendency to withhold the commodity from the market in anticipation of the removal of price controls, that if we set October 31 as the date for removing the controls, the sugar would be withheld from the market at least 6 weeks prior to that date, or at the height of the canning season?

Mr. FLANDERS. I am glad to agree completely with the suggestion of the senior Senator from my State. I think the fall canning certainly, and very likely the summer canning would be apt to be very seriously affected.

Mr. AIKEN. About the only worse time for removal of controls would be during September, or possibly October 1.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from West Virginia.

Mr. REVERCOMB. I thank the Senator. The question asked by the senior Senator from Vermont has led very much to what I had in mind, namely the effect of the time of releasing controls. Of course, if October 31 is the date used for release, the canning season would have passed by that time. It might not have passed for the apple or the fruit season, but it would have passed for a part of the berry season throughout the country.

Mr. AIKEN. What I had in mind was 60 days or so prior to October 31. The months of August and September are the two important canning months.

Mr. REVERCOMB. I think it has been stated by the able Senator that the principal interest is in getting supplies for the domestic user—that is, the housewife—and I join in that. That is the principal concern I believe to most of us, to see that there is available an abundance of sugar for domestic use.

There are two questions I have in mind which I want to address to the Senator. The first is, What in his opinion, would be the amount of rise in the price of sugar per pound if it were released from control at the present time?

Mr. FLANDERS. I would like to inquire of the Senator from West Virginia how much the stock market will be up or down at any given time? The question is of the same sort.

Mr. REVERCOMB. It is as uncertain as that?

Mr. FLANDERS. I think so; yes, sir.

Mr. REVERCOMB. I am somewhat surprised to hear that, because I thought there was a rather definite knowledge of the sugar supply, which would indicate what the price might be.

Mr. FLANDERS. There is a definite knowledge also of the supply of stock on the market. The imponderable is the psychological element in the purchases, whether of sugar or of stocks. I might say that in one respect my analogy falls down, since we cannot be sure in advance whether the stock market is going up or down at a given time. We could be sure that sugar was going up.

Mr. REVERCOMB. May I say further to the Senator that of course there are a good many more factors entering into the rise and fall of the stock market than in the case of a staple product such as sugar? In a general way we know from its historical use the amount of sugar which will be used; we know how much we have on hand; and, as the Senator says, we know it will go up. But I take it from the Senator's answer that he does not desire to indicate to what extent it would go up, even knowing what the sugar supply would be, and even knowing what the historical use of sugar has been in this country.

Mr. FLANDERS. I may say that testimony of various persons with experience in the industry has shown prices ranging from 15 to 30 or even 40 cents a pound. I am inclined to discount those very high prices. The Senator is asking me to guess on the stock market.

Mr. REVERCOMB. No, not on the stock market; I am interested in sugar.

Mr. FLANDERS. It is the same sort of question. I would be surprised if, under the worst conditions, the price of sugar should go above 30. It might be somewhere between 20 and 30. The point I am making is that we can so set the conditions that the price rise will be comparatively unimportant.

Mr. REVERCOMB. May I ask the able Senator another question?

Mr. FLANDERS. Certainly.

Mr. REVERCOMB. Does he feel that the price rise would be less if controls were extended a longer time, a matter of months, or a matter of a year, than if we released them today?

Mr. FLANDERS. It is my belief, sir, that if controls were released today there would be an unusually large price rise. I am not prepared to say what it would be, but my guess is it would be well over 20. Furthermore, I believe that we can find a time before the year has ended, when controls can be taken off and the price rise be somewhere around 15 cents, and then drop back again. But I am neither a prophet, the son of a prophet, nor

the grandson of a prophet, and I am just talking hot air on that particular subject. So, I think, is everyone else.

Mr. REVERCOMB. Let me say to the Senator that I think the question of what the price rise would be is a very important guiding point in this discussion. That is the reason I make inquiry of those who have given particular study to this subject. We want to get rid of controls, but I think that in considering that question we must look into the subject of price rise. There will be a temporary rise, but if it were to be such a rise as is talked about here, of course, that would be most unfortunate. We want plenty of sugar, but we want it at reasonable cost, particularly to the domestic consumer, indeed, to all consumers. That is the reason I put the question to the Senator.

I believe that both those who advocate the views of the able Senator and those who advocate other views have taken the position that they primarily want the domestic consumer, or, as we say, the housewife, to have first consideration in the use of sugar and the supply of sugar in this country; is that correct?

Mr. FLANDERS. That is correct, sir.

Mr. REVERCOMB. It then comes down to a question of the better argument as between the two points of view, as to which course will give the domestic consumer more sugar, and I want to say that that will be largely guiding with me.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the Senator from Vermont a question in furtherance of the statement made by the senior Senator from Vermont, concerning October 31 as a possible date of ending controls. In addition to the canning, is there not a very large seasonal business in ice cream and confectionery that would be adversely affected by the suspension of controls on that date? In other words, if we are going to suspend controls, is it not better to do it at the end of March than it is at the end of October? If we do it at the end of October, we are going to affect the housewife adversely, because all large industrial users are going into the market for what sugar they can get. Is that not correct?

Mr. FLANDERS. That is correct, sir, from my point of view.

Mr. ROBERTSON of Virginia. Mr. President—

Mr. FLANDERS. I now yield to the Senator from Virginia. I am trying to recognize Senators in proper firing order.

Mr. ROBERTSON of Virginia. Mr. President, is it not a fact that the Secretary of Agriculture informed the subcommittee of which the Senator from Vermont was chairman, that the bulk of our domestic production would not be available for distribution until after October 31; that at that time the stocks available for distribution in this country would be at their very lowest ebb, and therefore October 31 would be the very worst time to end control, if the Senate has in view the keeping of prices within the purchasing power of the average consumer, as the distinguished Senator from Massachusetts suggested, and pro-

tecting certain industries which are not in position to pay high prices for the sugar they need?

Mr. FLANDERS. That, sir, is, according to our best information, the fact. There are three important sections of the country, so far as the source of sugar supply and its consumption are concerned. The Pacific coast in general is taken care of by the continuous production of the Hawaiian fields, though that production suffered somewhat last year because of strikes. The great middle section of the country, roughly from the Sierras to the Alleghenies, is for the most part dependent on beet sugar. The eastern seaboard and a part of the South are dependent on Cuban sugar. A part of the South is dependent on the Louisiana cane. But in general there are those three regions. They stock up at different times. They are drawn down at different times. October 31 is about the worst date, because the heavy drains will have been made on the Cuban sugar on the eastern seaboard, and the beet sugar will have been pretty nearly completely drained away, leaving the total supplies to the country at their lowest point at that time.

I shall mention one other point, and that is that it may be feasible, or considered feasible if we get, for instance, a large stock of sugar from Cuba, and the beet sugar supplies are drawn down, to put Cuban sugar into box cars and transfer it to the beet-sugar regions, or under similar but reverse conditions we can bring it back. But that is the uneconomical way to do, and in view of the story told by our friend, the Senator from Kansas, concerning box cars, it is an unwise thing to do. The proper thing to do is to have in each of these regions a sufficient stock when the controls are taken off so that any price and distribution flurries will be of a minor degree and of short duration.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. AIKEN. Since the Secretary of Agriculture has become so thoroughly involved in this discussion on sugar, and since the Senator from West Virginia has raised a hypothetical question as to what the price of sugar would be if controls were removed, I should like to say that in testifying before the Committee on Agriculture last month, about 6 weeks ago, the Secretary of Agriculture estimated that if controls were removed this spring the retail price of sugar would rise to between 30 and 40 cents a pound.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. TOBEY. The Senator from West Virginia raised the question of price controls coming off immediately, and the effect which would be caused thereby. I point out that the Senator from Vermont [Mr. FLANDERS] answered him by discussing the price increase which would ensue. In the statement of the Senator from Vermont I concur; but I point out that it is not only the danger of a price increase that causes us concern. The fact remains that if controls were taken off today prices would soar, but

beyond that it would result in crucifying the small businessmen, because, ergo, the large sugar users with ample means to finance their purchases would purchase large supplies of sugar and drive the price up and store the sugar away for themselves to the exclusion and detriment of the small businessmen.

I point out that about 8,000 veterans have availed themselves of the GI bill of rights to start small sugar-using businesses, such as soft-drink businesses, ice-cream businesses, candy businesses, pharmaceutical businesses, and businesses engaged in the production of gelatines and other types of desserts. When we express our interest in and compassion for the small businessmen, here is a very good opportunity to show our concern and regard for him in safeguarding against such increases, which I believe are a great probability and potentiality if we should remove controls now.

Mr. FLANDERS. Mr. President, I should like to say to the Senator from New Hampshire that I fully concur with him, that in the event of serious dislocation of prices and distribution it would be the small businessman, particularly the new businessman, and the housewife, who would be the sufferers.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. ELLENDER. I want to say that I am for a continuation of controls on sugar. I shall in the course of this debate state my reasons why I believe October 31, 1947, should be the date at which controls should end.

I should like to ask the Senator from Vermont this question: If the controls are ended on March 31, 1948, will there not be a tendency on the part of the processors of sugar in this country—say, the Louisiana processors, the beet processors, those in Cuba and in Puerto Rico and Hawaii, who begin their grinding seasons in January—to retain their sugar and keep it from the market until after March 31, 1948, in order to obtain a larger price for their commodity?

Mr. FLANDERS. That, sir, is possible, but supposing we do have ample supplies when control is taken off, we can ride out those 2 or 3 months. But that is merely one more argument for assuring ample supplies before controls are taken off.

Before I yield again, I should like to make an observation to this effect: The distinguished Senators who have interrupted me or moving me rapidly through my prepared speech toward its latter end, and whether to thank them or whether to ask them to hold up a bit is beyond the possibility of my deciding at the present moment, but I think I shall let them proceed. I yield further to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, as I indicated a moment ago, it is true that on October 31 the supply of sugar is less than it is ordinarily, but if we stop controls at that time, is it not true that we are going to have a supply flowing in from continental producers and also from offshore producers who usually sell in this market?

Mr. FLANDERS. That is true, but the supply comes through only at the rate

that the refining process can be carried on.

Mr. ELLENDER. Yes. The further point I wanted to make was that in the House measure, aside from controls which continue until October 31, there are the inventory controls, which extend until the 31st of March 1948. That would have a tendency to keep large industrial users from piling up great quantities of sugar, and would leave the housewives a greater supply from which to buy sugar.

Mr. FLANDERS. Inventory controls have a certain definite usefulness, but they do not go the whole way, for a number of reasons. In the first place, they are applicable only to the primary distribution from the refineries to the wholesaling warehouses and the large industrial users. To make such controls effective through to the smaller wholesalers and the retailers, and particularly to the housewives, would require the swarm of spies and functionaries which Thomas Jefferson so delightfully described in the Declaration of Independence. In other words, we would have to multiply our former OPA force by several times to have them really follow through to the stocks in which the hoarding which occur.

But there is another point. The large industrial users might not hoard their stocks of sugar as such. They might rush the sugar through to the finished products, and inventory it in the form of finished products. They might bring about that condition by increased working forces, night shifts, and overtime. At no time would they have more than the proposed 30 days' supply on hand. Inventory control has a usefulness, but it is a limited usefulness.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from West Virginia.

Mr. REVERCOMB. I thank the Senator for yielding to me. I will not interrupt him further if I may ask two brief questions.

The Senator has just discussed the question of what would happen when sugar controls were taken off. The Senator from Louisiana [Mr. ELLENDER] spoke of sugar controls; and the result with respect to holding sugar back from the markets if we removed the controls on October 31, 1947. Let me put this question: Will there not be a holding back of sugar whenever the controls may be ended? We must end the controls at some time. Naturally there will be a holding back of sugar from the market on the part of some. The only way to get around that is to slip up on them quickly and end the controls; but we do not do things that way. Will there not be a holding back regardless of the date when controls are removed?

Mr. FLANDERS. The Senator from West Virginia is entirely correct as to what will happen. To what extent it will happen, and how serious the withholding and price rises will be, will depend upon how large a stock of reserve sugar we have when the controls are removed. If that stock is large, the dislocations will be comparatively small and of short

duration, and the withholding will be comparatively small. If our stocks are small, the price increase will be large, the dislocations in distribution will be great, and the withholding from distribution in advance of the removal will begin at a much earlier date.

Mr. REVERCOMB. In the discussion by the Senator from New Hampshire [Mr. TOBEY] he spoke of great hardship being placed upon small business if controls were released. Am I to understand from that that the housewife, the domestic user, today is suffering shortage in part from the allocations under controls to business? There seems to be a question of balancing the use of sugar between business and the domestic user. If it goes to business, whether it be small business or large business, it naturally comes from the domestic user so long as there is a shortage in the supply of the domestic user. Am I to gather from the statement of the Senator from New Hampshire that under controls the small-business user, or any business user, is taking sugar to the detriment of the supply of the domestic user?

Mr. FLANDERS. Let me say a word to the Senator from West Virginia with regard to the status of the allocation as between industry and the household user to date. Approximately 80 percent of the industrial use is apportioned to industry based upon its normal prewar use. That allocation was based on a 75 percent basic allocation. At the end of the war a great many industrial users found themselves with enlarged plants and enlarged working forces. They made a plea to the sugar-control authorities that they be permitted to expand beyond the 75 percent of their historic basis, in order not to throw men into unemployment at that particular time. Those pleas were listened to, to the extent that some of them were given as much as 80 percent, and some 85 percent; but the average increase in all those cases amounted to an over-all 80 percent of the prewar use. This season's promised allocation to the housewife is 35 pounds, which figures out about 70 percent of her prewar use. So industry is getting a 10 percent larger distribution than is the housewife. However, I should like to invite attention to the fact that that allocation was given industry on the basis of maintaining employment, and for no other purpose.

Have I answered the Senator's question?

Mr. REVERCOMB. Yes.

Mr. ELLENDER. Mr. President, will the Senator permit me to make a comment on the first question asked by the Senator from West Virginia?

Mr. FLANDERS. I yield to the Senator from Louisiana.

Mr. ELLENDER. It is true that no matter when controls are taken off, no matter what date is fixed, there will be a tendency to hoard sugar. But that tendency would be further removed by fixing the date at October 31 than by fixing any other date that could be fixed, because today the Commodity Credit Corporation owns the entire Cuban crop which is now being harvested. It also owns the entire Puerto Rico crop

which is now being produced. In other words the Government can better control distribution of the sugar it now owns.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. REVERCOMB. Does the Senator from Louisiana mean that the holding back would be less if the date were fixed at October 31?

Mr. ELLENDER. Absolutely. There can be no question about it.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Virginia.

Mr. ROBERTSON of Virginia. On the point raised by the Senator from Louisiana, with regard to holding back sugar, whether the date be October 31, 1947, or March 1948, we must bear in mind these factors: There will be production of beet sugar in Europe this year, which may enable the international control to give us a larger percentage of sugar from Cuba, available by March of next year. We expect a substantial shipment of sugar from the Philippines by the spring of 1948, commencing perhaps in April. That statement is based upon the report of the Department of Agriculture. We expect that when the Dutch settle their political problems in Indonesia and other sugar-producing areas in that section of the Pacific, we shall get a substantial supply from that source, which will probably come to us by March of next year. So from every standpoint we shall be in a better position if we relax control in the spring of 1948 than if we were to end the controls in the fall of 1947.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Nebraska.

Mr. BUTLER. I appreciate the interruptions which the Senator has permitted, because I believe they have added to the information of all of us who are keenly interested in this subject.

The question centers for the moment around matters of production, in determining what date might be most propitious for decontrolling. We all admit that the decontrol date is approaching. The question is, what would be the most propitious time? I take it from the tone of the remarks which have been made by the distinguished Senator from Vermont, and perhaps by other Senators, that a continuation of control tends to give the answer to this whole question. The answer is production. Is not that correct?

Mr. FLANDERS. The answer is production and the building up of sufficient stocks.

Mr. BUTLER. Yes; the answer is production. Let me ask the distinguished Senator from Vermont what the record is in reference to the production of sugar under Government control.

Mr. FLANDERS. My personal knowledge of that is doubtless very much less than that of the Senator from Nebraska, who lives closer to the sugar-beet-producing areas than I do. I know however, that at times the Department has discouraged the production of beet sugar, but at the present time it is encouraging it by every means within its power.

Mr. BUTLER. For the information of the Senator from Vermont and other Senators. I may say that production of sugar in our own continental area is considerably reduced, especially as regards the production of sugar beets. It is almost 50 percent lower, in my own State today, than it was in the prewar era.

Mr. FLANDERS. What about the planting?

Mr. BUTLER. The planting has been under the control of the Department; and it is that form of control that the producers do not like. My prediction is that the sooner we get rid of control, the greater will be the production. In other words, the sooner we eliminate control, the sooner we shall find the answer to the problem.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. TOBEY. I am referring now to the comments concerning the date of decontrol—whether October 31 or next March. Addressing myself briefly to that subject, in my opinion if the date were fixed as of October 31, the eastern seaboard probably would receive very little sugar, if any, during September and October, because the persons who had it to sell would know that rationing was being terminated at the period of greatest scarcity and that, therefore, prices probably would be bound to go up; and so they would withhold the sugar during the months of September and October, and not sell it to the merchants, but wait for the price rise which would be inevitable then.

On the other hand, if the date were fixed as of March 31, and if the Secretary saw that there was sufficient sugar to end rationing March 31, he could do it as of midnight of that date without any previous announcement; and the hoarding and speculating feature would not then enter the picture, so the people in the eastern half of the country would have sugar in September and October, which from the sugar standpoint are very important months to them.

Let me point out that Senate Joint Resolution 58 contains a section which makes it mandatory for the Secretary of Agriculture, Mr. Anderson, to decontrol whenever in his good judgment he finds he can do so.

I should like to point out to the Senator who referred to sugar from the Philippines—I think it was the Senator from Virginia [Mr. ROBERTSON]—that before the war we received a million tons of sugar a year from the Philippines, year after year. Of course, the war destroyed their refineries and plants, but now they are slowly being restored. In the last few years we have been exporting sugar to the Philippines; but as he stated—and I confirm it—in another year, by March or April, our receipts of sugar from the Philippines will be back to nearly the prewar basis.

Mr. FLANDERS. I thank the Senator from New Hampshire for putting his finger on the possibility of removing controls before March 31, and of doing it unexpectedly, because that is very much within the possibilities and within,

in fact, as he has indicated, the mandatory provisions of the pending joint resolution. March 31 is the limit beyond which it must not go. As I shall show a little later, the possibilities of removing controls before that time are extremely hopeful.

I shall continue briefly on the subject of United States sugar-beet production. The average production in the period 1935 to 1939 was 1,520,000 tons; for the period 1944 to 1945, 1,056,000 tons; 1945-46, 1,278,000 tons; 1946-47 the crop, as estimated by the Department, is 1,541,000 tons—the largest in our history.

I do not know who is correct—the distinguished Senator from Nebraska [Mr. BUTLER], who lives in the sugar-beet area, or the departmental statisticians, who admittedly have not always been correct.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. BUTLER. I should like to answer the distinguished Senator just to this extent: The figures quoted are average. The figures I quoted, showing that the production in the State of Nebraska was almost 50 percent under its former production, are approximately correct; in fact, I know they are correct. But to balance that, when we consider the increased allotments under the control program to other areas—I might mention the State of California as an example, in perfect good will, because none of us cares where sugar is produced, so long as we can obtain it—the point I am making is that we are not getting more than half the amount of sugar we could get from my State; and there are many other similar areas.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. FERGUSON. After listening to the Senator from New Hampshire [Mr. TOBEY], I wish to have the record show that so far as beet sugar is concerned, the height of sugar production—that is, the time when there would be more sugar than at any other time—would be in October, rather than next March. So I think the record ought to be clear that, so far as the growers in America are concerned, there would be sugar to be sold at that time. If we make the date next March, we are likely to find that beet sugar will be held over until after March, so that the producers will get a higher price.

So I think we have to choose a date. So far as I can learn from the growers of sugar beets in Michigan, they would prefer the date in October, rather than the date in March, for the ending of these controls.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FLANDERS. I should like to say, first, in answer to the remarks made by the Senator from Michigan, that, of course, beet sugar does not become instantaneously available when the beets are harvested. They go to the sugar mills, and the sirup is extracted, and the sugar is drained off and refined. Doubtless the Senator knows more than

I do about the duration of the process, but I should be surprised if the refineries were not working for at least 3 months on the fall beet crop.

Mr. FERGUSON. But during that entire period the sugar would be coming out and could be supplied directly to the market, and if the producers were being paid what they regarded as a fair price at that time, there would be no reason to withhold the sugar.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. MAYBANK. Following up what the Senator from New Hampshire [Mr. TOBEY] so ably stated, what impresses me is that in voting for the March 31 date, we have to think of the movement of crops next fall, when cotton and every other crop will move, and we must realize that a tremendous car shortage is expected at that time. As the Senator well knows, in connection with the sugar-inventory cases which were brought up by the Secretary of Agriculture and others, the really serious situation will develop next fall when beet sugar and the other sugar will be distributed.

The shortage of cars is well known to the Members of the Senate. Approximately 65,000 cars in the last year, alone, passed out of use. The testimony throughout the hearings, by every witness in connection with the inventories, was that the distribution of the crops in the fall will present a most serious problem because of the boxcar shortage which will exist at that time.

Mr. FLANDERS. I thank the Senator from South Carolina for bringing out that point. It only emphasizes the necessity for having sufficient stocks of sugar coming from each of the sources, in the regions which normally supply it, so that it will not be necessary to shuttle it back and forth across the country.

Mr. MAYBANK. Mr. President, if the Senator will further yield, let me say that the testimony also shows that there will have to be a tremendous shuttling movement in order to supply the points outside those where the Cuban sugar is available or where beet sugar is produced.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from Wyoming?

Mr. FLANDERS. I yield.

Mr. O'MAHONEY. I should like to ask the Senator from Vermont whether testimony was submitted to the committee, on behalf of the processors of sugar beets and on behalf of the growers, to the effect that the March date, rather than the October date, was more desirable from the point of view of the beet-sugar industry?

Mr. FLANDERS. Such testimony was offered.

Mr. O'MAHONEY. I am not at all surprised that it was, although I was not present at the committee meeting, because I know that in the Rocky Mountain beet-sugar area the program for the refining of sugar beets is not completed

at all by the 31st of October. In some cases it is not completed until long after that time.

Mr. OVERTON. Mr. President, will the Senator yield to me?

Mr. FLANDERS. I yield.

Mr. OVERTON. There are two or three questions which I should like to ask the able Senator from Vermont. The first is this: While it is true that the stock of sugar will be very low on October 31, nevertheless, beginning at about that time, from October on, a large supply of sugar commences to come into the market. Is not that correct? That is the first question.

The second question is this: Is it not true that the consumers' demand for sugar is larger at about March 31 than it is at any other time?

Mr. FLANDERS. I would say to the Senator from Louisiana that that is rather doubtful. The largest demand for sugar would naturally come in the summer, with its combination of the use of sugar for household canning, coca-cola, and other soft drinks, and ice cream.

Mr. OVERTON. We in Louisiana have coca-cola all the time.

Mr. FLANDERS. The Senator from Louisiana is fortunate.

Mr. OVERTON. And the use of sugar by confectioners, and for ice cream, and so forth, increases in the spring.

However, it is also true, is it not, that production begins immediately after October and November, and continues, with increasing quantities, from then on?

Mr. FLANDERS. In the beet-sugar regions beet sugar production begins in October; Louisiana production begins a little later, and subsequently the Cuban sugar begins to come in. That is the "firing order" of the production of those three separate production and consuming regions.

Mr. OVERTON. That is correct.

Mr. President, I should like to ask the Senator from Vermont another question: It is true, is it not, that for Louisiana cane-sugar production, the producer is paid the average of the market value of refined sugar from October 15 until January 31?

Mr. FLANDERS. That is as I have understood it. I would defer to the Senator from Louisiana as an authority, rather than attempt to give him any information. From what I know, the conditions are very much more favorable for the sugar-beet producers, who have the price turned back to them at whatever price the sugar leaves the refinery at any time during the year. I could only wish that the cane-sugar producers in Louisiana could be as enterprising or as fortunate as the beet-sugar producers are.

Mr. OVERTON. That has been the history of the method by which the cane-sugar producers are paid. For years and years in Louisiana they have been paid on the basis of the average market value from October 15 to January 31.

If control is retained until March 31, of course that will do a rank injustice to the sugarcane growers of Louisiana and Florida, as compared with removing control on October 31, for in the former case control would be held

over sugar until the Florida and Louisiana sugar had been marketed, and then control would be released.

On the other hand, if it is released on October 31, that will afford an opportunity for the cane-sugar producers to receive the increase in the market price.

Mr. FLANDERS. I may say to the Senator from Louisiana, Mr. President, that there is no question that the cane-sugar producers of Louisiana and Florida will not be in as good a position so far as price is concerned as will the beet-sugar producers or the Cuban sugar producers. That is most unfortunate. It may properly be taken into account and doubtless will be so taken into account, in weighing the time when controls should be released, if it develops that they can be released very much earlier than the final date set.

However, I still wonder how the Louisiana cane-sugar producers got into a situation as disadvantageous to them as the existing situation is, as compared with that of the beet-sugar producers. The beet-sugar producers seem to have done very nicely by themselves.

Mr. OVERTON. The custom dates back so far into past times that I do not recall how it originated. The system under which the cane-sugar producers in Louisiana are paid has prevailed for years and years and years. Perhaps the junior Senator from Louisiana [Mr. ELLENDER] may be able to state how it originated. At any rate, that is the way it is. I think the answer the Senator from Vermont has made is very fair.

Mr. FLANDERS. However, Mr. President, there is this to be considered—and it is of real importance: If the final removal of controls is left to a time when there are ample stocks available, no one will make any great windfall of profits, either in the case of beet sugar or Louisiana and Florida cane sugar or Cuban cane sugar. That is the sum and substance of the matter, as I see it.

Mr. OVERTON. Of course, that brings up another question, namely, when will that event take place, or when could it take place?

Mr. FLANDERS. Mr. President, I say to the Senator from Louisiana that if I had a little encouragement, I would read further in my manuscript, and perhaps we could come to that subject.

Mr. OVERTON. I thank the Senator from Vermont, and I shall not interrupt him again.

Mr. FLANDERS. Mr. President, as I have said, most fortunately we can foresee the time when controls may safely be removed. The unusual Cuban sugar crop expected this year will permit a more liberal distribution of sugar to consumers, and at the same time will leave some over to help fill the pipe lines and the shelves. Encouragement is being given to the planting of sugar beets this year. It is hoped that the Senate will pass House bill 2102, permitting the importation of labor supplies so that this great crop can be planted, cultivated, and harvested. It is possible that the small supplies available in the Far East may be released before the year is over. It is hoped that the new Louisiana cane

crop will be good. It should be noted that none of them will be available for filling the warehouses, pipe lines, and shelves until the very end of the year and the beginning of next year. Between now and then, Cuban sugar has to carry the full burden.

There are geographical and transportation difficulties in putting the whole burden on this source of supply. Ordinarily this sugar goes to the eastern seaboard and to such part of the South as is not completely taken care of by the Louisiana and Florida cane sugar. The great Midwest, clear to the Rocky Mountains, depends on beet sugar. Only on the Pacific slope is there the relatively constant supply of Hawaiian sugar whose last year's crop was diminished by strikes. It is clear, therefore, that dependence on the Cuban crop as a backlog after decontrol involves a large scale transportation of this sugar to areas which do not normally depend on it. And we may safely prophesy that any depletion of eastern reserves by premature lifting of controls will in turn at a later date require an unnatural flow of beet sugar to the seaboard. This unnatural distribution of sugar to take care of artificial scarcities comes in a country in which the boxcar shortage has passed the danger point even at a time of year when there is normally a surplus.

This situation applies particularly to one of the early dates frequently suggested, that is, October 31. A maldistributed Cuban supply will have been carrying the load for the whole country east of the Sierras. The new beet crop would be in the course of harvesting but not yet completely refined and moving from the refineries to meet customer requirements. It would be many weeks before this could effectively take place, particularly if this beet sugar had to move east to replace depleted stocks of Cuban, and it should be noted that this eastern movement would be taking place at the same time as the railroad lines would be meeting the big demands for moving grain in the same direction. Again we are up against the boxcar shortage.

All of these questions point to a time past the end of the year as being the time when under proper control there will be enough sugar in warehouses, in transportation, and on the shelves to meet any run which may develop when the commodity is given over to a free market.

All this is in the interest of the American housewife, but what can we do for her in the period between now and this far-off end of controls?

Announcement has already been made that she will be allowed 10 pounds more of sugar per person this year than she had last. Last year she had 15 pounds regular, plus 10 pounds of canning allowance, making 25 pounds in all. This year she will have 35 pounds straight.

Throughout the countryside, in villages and small towns—even with many housewives of the great cities—the question of sufficient sugar for canning and preserving is a serious matter. The 10 pounds of last year was not enough. In many instances, indeed, the housewife did not get the 10 pounds due to the fact

that when she went to the store, it was not there—thus emphasizing the point which has been emphasized so continuously in this argument, that plentiful stocks are an essential, not merely to the ending of controls, but for the continued purchase and use of sugar, whether under controls or not.

Last year the allocation for canning was intended to be used for this purpose only. It was soon found that it is impossible, administratively, to police the use of canning sugar. To do so would have required a great increase in the already existing number of unpopular, and at times offensive, OPA administrators and investigators. The prospect of adding to this already large force enough to do a good job of policing the use of canning sugar, is too terrible to contemplate. We may therefore easily agree with the rationing authorities that it is better to do as has been done this year: to lump the sugar all together rather than to put on a 10-pound coupon with the special requirement that it is to be used for canning. The net result is that the housewife will get 35 pounds per person instead of 25.

Feeling that something better than this might be possible if the Cuban crop is as large as or larger than has been expected, I have conferred with the Secretary of Agriculture as to the possibility of increasing the distribution of sugar to families during the summer canning season. I am glad to say that he has approved of the suggestion, and I shall read into the *RECORD* the letter on the subject which I have just received from him:

MARCH 24, 1947.

HON. RALPH E. FLANDERS,

United States Senate.

DEAR SENATOR: In connection with the pending proposals for the continuation of controls over sugar, you have expressed concern regarding the lack of sufficient sugar to give household users more than 35 pounds per person in 1947 and have asked for our views regarding further increases in allotments for household and industrial users out of any additional supplies of sugar which may become available this year above the supplies as now estimated.

As you know, it has been indicated that current supplies of sugar should be sufficient to give allotments to the so-called percentage industrial users at the rate of 75 percent of their 1941 base use for the remainder of 1947, in addition to providing 35 pounds per person for direct household use. Current estimates of production, particularly in Cuba, afford some basis to hope that increased supplies above the 6,800,000 tons, which has been used for allocation purposes, might become available in 1947. If such additional supplies become available, it will be our intent to provide further increases in sugar rations for direct household use before giving further general increases to industrial users. However, there is one important qualification which should be stated in relation to this intent. Because of our desire to prevent the wastage of perishable agricultural commodities, it may become necessary to provide minor quantities of sugar for certain commercial uses to save such agricultural commodities. The total amount of sugar required for such emergency cases will be very small in relation to the 375,000 tons of sugar required to give an additional 5 pounds per person for direct household use. I am sure you agree with this general policy of so using the relatively small quantities of sugar required to save perishable agricultural commodities.

Our fulfillment of this intent will also be dependent upon the provisions of the legislation enacted for the continuation of sugar controls, particularly the provisions relating to sugar for new users.

Sincerely yours,

CLINTON P. ANDERSON,
Secretary.

Mr. COOPER. Mr. President—

The PRESIDING OFFICER (Mr. BALL in the chair). Does the Senator from Vermont yield to the Senator from Kentucky?

Mr. FLANDERS. I yield.

Mr. COOPER. I did not understand the Senator's reference to 50 pounds.

Mr. FLANDERS. The Senator from New Hampshire [Mr. TOBEY] offered an amendment providing that no increased allotment should go to industrial uses until a total of 50 pounds per person had been given to household use, that being the normal prewar consumption of the American individual.

Mr. COOPER. That amendment is now pending?

Mr. FLANDERS. Yes.

Mr. COOPER. I noticed, during the thorough statement which has been made by the Senator, that the questions and answers have been directed to the source of supply for 1947. From reading the report it appears that in the year 1946 the supply amounted to 5,400,000 tons, approximately, according to one of the tables, and that the estimated sources of supply for 1947 amount to 6,800,000 tons, or an increase of 1,400,000 tons.

The Senator just stated that an increase of 5 pounds to each consumer would amount to about 325,000 tons; was that the figure?

Mr. FLANDERS. Three hundred and seventy-five thousand tons.

Mr. COOPER. The increase that has been granted, of 10 pounds, then, would amount to 750,000 tons, and according to the estimate there would still be a balance of some 650,000 tons.

Did the committee have any information as to whether or not that 650,000 tons would be used for the individual consumers, the housewives, whom all of us have particularly in mind, or would that go to industrial consumers?

Mr. FLANDERS. The supply of 6,800,000 tons is allotted in accordance with the 75-percent basic industrial allotment and the 35-pound household allotment. I do not have the figure at hand. I would have to figure it out again. But the prewar demand is figured at 6,700,000 tons. The increase in population requires an additional 800,000 tons, and the total needed to reach the prewar per capita is 7,500,000 tons, but there is now a deficit of 700,000 tons, which must be made up by the increase in the Cuban crop, sugar from other sources such as South America, possibly Philippine and Java sugar, and similar miscellaneous sources. Besides that there is an estimated quantity of a million tons needed to rebuild the stocks for safe decontrol. That leaves a deficit for that purpose of about a million tons. But all of these expected increases in production will go to meet that deficit and will be swallowed up by it. I am not sure that I answered the Senator's question.

Mr. COOPER. I probably did not make myself very clear. This was the point of my inquiry: In table 4 of the report, page 9, the recommended sugar allocations for 1947 for the United States are 6,800,000 tons. On page 4 of the report it is stated in the last paragraph that this represents an increase of 21 percent over 1946, which, roughly figured, would indicate that the allocation for 1946 was approximately 5,400,000 tons. That would mean that in 1947 there would be an increased allocation of 1,400,000 tons. The increase of 10 pounds to each housewife would use up 750,000 tons of that increase, leaving 650,000 tons; to which I have directed my question. Does the Senator know, or did the committee consider, whether that tonnage would be used for the individual consumer, or for the industrial consumer?

Mr. FLANDERS. There is an increase in allotment to the industrial consumer as well as to the housewife for this year. That is 5 percent, as I remember. There is a 5-percent increase in the allotment to the industrial user. That is from the basic 70 percent of his prewar use to 75 percent basic of his prewar use.

Mr. COOPER. Did the committee have any information whether or not it would be possible under the allocations to increase the allocation for the individual consumer to more than the 35 pounds?

Mr. FLANDERS. The sugar statisticians in the Department of Agriculture and the Secretary himself are hopeful that that may be done. They are very hopeful that 5 pounds extra may be allowed during the canning season, in which event it will be made available not by giving a new coupon but by moving forward to an earlier date the coupon which succeeds July 1, so that within that period the extra amount will be used up I think in 2 months instead of 3.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. TOBEY. I may say to my friend from Kentucky that the amendment which I offered at the opening of my remarks meets with the approval of the Secretary of Agriculture and of my friend from Vermont, and it will take care of the situation he has in mind. If the supply increases a sufficient quantity will go to the individual consumer until his allotment of 35 pounds reaches 50 pounds, which is the amount estimated to have been used by the household before the war. So, if adopted, the amendment, ought to safeguard that situation.

Mr. COOPER. I thank the Senator.

Mr. FLANDERS. The additional 10 pounds, plus the prospect, under certain conditions, of still more than this will, I believe, lead toward a great improvement in the sugar distribution to the household, and at the same time tend to mitigate the hoarding complex when controls are finally removed.

Will these controls have to go to March 31, 1948, as the bill proposes? It is the hope of your committee and a hope based on conversations with the authorities involved, that if all goes well the available supplies may be such that the con-

trols can be taken off a month or two earlier than the final date set by the resolution itself. Such action on the part of the Secretary of Agriculture will be obligatory since section 2 reads: "Prior to the expiration of this act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this act when he determines that the supplies of sugar are sufficient to warrant such action." The significant words here are "authorized and directed."

This leads us to a consideration of what is perhaps the most important element in this whole problem: What are the abilities, the purposes and the ruling ideas of the Secretary of Agriculture in whose hands the administration of this act is placed? This is a pertinent question. We had had so much experience with administrators who looked with affection on the idea of a controlled economy that we are gun-shy on the general subject of controls. Worse than this, we have seen perfectly respectable citizens, brought up in the atmosphere of free enterprise, succumb to the lure of controls when they were once given a hand in their administration. What is the record of this official to whom the administration of sugar controls is delegated?

It is not a bad record. It shows that his efforts since the day he became Secretary of Agriculture, have been clearly directed toward eliminating Government controls over the distribution of our food supply as rapidly as possible.

Speaking at an Agriculture-Industry Conference at Decatur, Ill., on September 20, 1945, soon after he became Secretary of Agriculture, Secretary Anderson said:

I am glad to be able to report to you that the Department of Agriculture is clearing the decks by removing wartime controls as rapidly as possible. Many foods have been taken off the ration lists. Restrictions on the distribution and use of many commodities have been removed. Since VJ-day 25 war food orders have been lifted and those remaining will go at the earliest possible moment.

Six weeks later, speaking at Kansas State College—November 9, 1945—he said:

The Department of Agriculture got into business in farm products in the depression and again in the war emergency it got into the food business in a big way. We want to get out of that business as quickly as possible and it will be a happy day for the Secretary of Agriculture when circumstances permit it. That is part of the future to which we look forward.

He has made many other public statements to the same effect.

A check-up on his record convinces me that Secretary Anderson meant what he said:

On July 1, 1945, a total of 92 War Food Orders were on the books. Included in this total were 16 orders on fats and oils, 10 on dairy products, 7 on fruits, 3 on grain, and 2 on sugar. The remaining 54 orders covered miscellaneous commodities, delegations of authority to the Office of Price Administration for rationing of food, requisitioning of foods, procedural regulations, and the like.

He immediately established the policy of terminating orders no longer needed for war or post war purposes. By January 1, 1946, in keeping with this policy, the number of orders effective had been reduced nearly one-half, to a total of 49.

The need for exporting huge quantities of foodstuffs in 1946, particularly grain, made necessary the issuance of several new orders, such as limitations on wheat and flour inventories; set-asides on flour, meat, and dairy products; and prohibitions against the use of grain in alcoholic beverages. The downward trend in the number of outstanding orders thus was interrupted in the summer of 1946. But by January 1 of this year the number of effective orders had declined to 20. On March 10, 1947, only 15 orders remained in effect.

His record in his recommendations to OPA on the removal of price controls is similar. He has consistently advocated the end of price controls and consumer subsidies at the earliest feasible moment, and has not hesitated to urge the raising of price ceilings when it was necessary to stimulate greater production.

Further proof is to be found in the fact that rationing of meat was discontinued in November of 1945, surely the earliest possible date, and rationing of fats and oils was terminated at the same time, even though they were recognized to be then in short supply.

Also, I am advised that the Secretary of Agriculture in August 1946 recommended to the Price Decontrol Board, that ceilings on beef be not restored after the price-control holiday last summer, but did recommend the reimposition of price controls on pork. I cite this to show he has tried to be discriminating, and I think the present pork prices indicate that he had facts behind his actions.

The Secretary and his Department are honestly loath to take on this job. It will get them no honor or glory. It will be full of headaches. To soothe the pain of one of the headaches involved, the committee has incorporated in section 3 (c) in connection with the transfer of personnel this provision:

Any personnel so transferred shall not by virtue of their temporary employment in the Department of Agriculture acquire or be entitled to any right to employment in such Department in connection with the exercise of any function other than a function transferred under this act.

The purpose of the provision is obvious. It would be unfortunate if, in taking over such of the personnel of OPA into the Department of Agriculture, the Department would find itself with a new group of employees and officials possessed of seniorities and other rights in the Department superior to the regular organization. The provision is intended to be strictly just. It proposes to give to the various OPA employees all the rights, including veterans' rights, which they would possess had they remained in OPA until its dissolution. It gives them all these rights; no more, no less.

Let me, in closing, refer again to the all-important question of how much confidence we may place in the administration of the joint resolution by the Sec-

retary of Agriculture. In my own mind this was a matter of compelling importance. The new administrator must be guided by the facts as they exist, by the best judgment he can bring to bear on the problems, and by a strong determination to end controls at the earliest possible moment. No temptation of power or of political advantage must sway his judgment to the slightest degree.

So important did I feel this question of the Secretary's character and abilities to be, that I sought for advice from a person whose judgment weighs heavily with me. I called ex-President Hoover on the telephone.

First, I inquired of him as to whether he felt that the domestic controls on sugar could be taken off at this time. His reply was that he did not feel himself sufficiently acquainted with the details of our present supply and future prospects to be able to answer that question. He was only sure that if domestic controls were removed, export controls must be continued.

I next asked him whether he felt I was safe in taking the advice of the Secretary of Agriculture as to whether controls should be lifted or continued. His reply was, in effect, that there was no one he knew of whose judgment would be better on this matter.

I finally asked him whether he would expect the Secretary to be moved by political questions or by any influences other than the best interests of the people of the country, as he saw them. His reply to this question was emphatically to the effect that Secretary Anderson was a man of complete honesty, as well as ability, and that the public good would be his guide.

This private telephone conversation with ex-President Hoover is divulged only because it has already been made public by a radio commentator and newspaper columnist who must have obtained his information through some telepathic means.

I have known Secretary Anderson for a number of years and during that time have formed a high regard for his character and abilities. Nevertheless, the responsibilities laid upon his shoulders are so serious that I felt the need to be confirmed in those ideas if he were to be convinced that the joint resolution before us is really in the best interests of the people of the United States. That telephone call to Mr. Hoover gave me, as an individual, that assurance. As a result I have no doubt as to the wisdom of placing this serious responsibility in his hands.

I therefore, Mr. President, commend this bill to the Members of the Senate as being worthy of their support.

Mr. TOBEY. Mr. President, my first comment would be to express a word of very deep appreciation to my friend from Vermont for the very comprehensive and painstaking and thorough statement he has made. His presentation was well made. I think the Members of the Senate must appreciate the work he has performed in connection with this subject.

Now, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hatch	Myers
Ball	Hawkes	O'Connor
Barkley	Hayden	O'Daniel
Brewster	Hickenlooper	O'Mahoney
Bridges	Hill	Overton
Brooks	Hoey	Pepper
Buck	Holland	Reed
Bushfield	Ives	Revercomb
Butler	Johnson, Colo.	Robertson, Va.
Byrd	Johnston, S. C.	Russell
Cain	Kem	Saltonstall
Capehart	Knowland	Smith
Capper	Langer	Sparkman
Chavez	Lodge	Stewart
Connally	Lucas	Taft
Cooper	McCarran	Taylor
Cordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Thomas, Utah
Downey	McFarland	Thye
Dworshak	McGrath	Tobey
Eastland	McKellar	Umstead
Eaton	McMahon	Vandenberg
Ellender	Magnuson	Watkins
Ferguson	Malone	Wherry
Flanders	Martin	White
Fulbright	Maybank	Wiley
George	Millikin	Williams
Green	Moore	Wilson
Gurney	Murray	Young

The PRESIDING OFFICER. Eighty-seven Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. TOBEY] to the first committee amendment, adding at the end thereof certain language which the clerk will read.

The LEGISLATIVE CLERK. On page 2, at the end of line 20, it is proposed to strike out the period, insert a colon, and the following: "*And provided further, That refined sugar shall be allocated for home consumption at a rate of not less than 35 pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947, over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947, shall be allocated for home consumption until the allocation for such use equals 50 pounds of refined sugar per capita.*"

Mr. TOBEY. Mr. President, the pending sugar-control legislation is brought to the floor of the Senate by a favorable report from the Senate Committee on Banking and Currency. The vote was 10 to 3. It is now before the Senate. It is an important, far-reaching measure. Weeks of work have been done by the committee. It has finished its job and made its report.

I understand that an effort is to be made this afternoon by the opponents of the legislation to do something which in my judgment is wrong. I am informed that a motion is to be made to lay the amendment on the table. I decry that method of legislating. This important legislation is so far-reaching that a motion to lay the amendment on the table would be manifestly unfair. When a Senator votes to table the amendment, he automatically votes to throw on the scrap heap behind the barn all the efforts of the committee, and to refuse to consider the problem on its merits. It is a vote to repudiate the judgment of the President of the United States, who yesterday, in a nonpartisan manner,

stressed the importance of this legislation to the American people. It is a vote to repudiate the leadership of the Committee on Banking and Currency and of the subcommittee.

According to Cushing's Manual, a motion to lay on the table is not debatable. If it is to be made, I ask Senators to vote it down, and to consider the proposal on its merits, whatever their vote may be on final disposition.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. ELLENDER. Will the Senator kindly explain his amendment?

Mr. TOBEY. I shall be very glad to do so.

Mr. ELLENDER. As I understand, the purpose of it is to allow the housewife more sugar.

Mr. TOBEY. That is correct.

Mr. ELLENDER. Does the amendment guarantee the additional poundage or is it conditioned on greater production to be determined by the Secretary of Agriculture?

Mr. TOBEY. Let me explain. Realizing—and also hoping—that there will be an increased production of sugar, and that a greater available supply will come on the horizon sometime during the calendar year—perhaps tomorrow, or 3 months or 6 months from now—when and if that occurs, if the supply is greater than the normal supply which is now allocated to the commercial interests and the housewife, the Secretary of Agriculture, Mr. Anderson, is directed—it is mandatory—forthwith to allocate the excess amount and prorate it among the housewives of America. The amendment assures an allotment of 35 pounds, with a ceiling of 50 pounds, which is the amount per capita which was used by housewives before controls were established.

Mr. ELLENDER. In other words, 50 pounds is to be allowed only in the event production reaches a certain level.

Mr. TOBEY. The Senator is correct.

Mr. ELLENDER. Would it not be better to enact legislation to make certain that the housewife will receive 40 or 45 pounds, rather than to make the increase conditional, as the Senator proposes?

Mr. TOBEY. It is certain that housewives will receive 35 pounds directly from the allocation.

Mr. ELLENDER. That is correct. The pending measure does give authority to increase the allowance from 25 to 35 pounds.

Mr. TOBEY. It is also certain that housewives and individuals will receive from 5 to 8 pounds more through increasing patronage of bakeries, restaurants, and hotels.

Mr. ELLENDER. Under the proposal now pending the housewife would receive 35 pounds.

Mr. TOBEY. And that is 40 percent more than she received last year.

Mr. ELLENDER. I understand; but would it not be better to adopt an amendment to guarantee to the housewife 5 pounds, rather than the 35 pounds proposed to be provided in the pending resolution?

Mr. TOBEY. Where would the Senator take the extra 10 pounds from, if in-

creased supplies did not show up on the horizon?

Mr. ELLENDER. Let the Secretary wrestle with the problem. I am of opinion that production estimates for this year will be considerably increased.

Mr. TOBEY. That is an appealing argument, and I go along with the sentiment behind the suggestion. I yield to no man in my desire to take care of the housewives. But we must have a balanced economy. The business interests and the home owners are a composite of the people of the United States.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. TOBEY. I was answering the question of the Senator from Louisiana.

Mr. WHERRY. I do not wish to interrupt the Senator.

Mr. TOBEY. The Senator may ask his question. I am but clay in the potter's hands.

Mr. WHERRY. As I understand, what the Senator's amendment does is to make mandatory a distribution to the individual user—we call her the housewife—of 35 pounds.

Mr. TOBEY. That is correct.

Mr. WHERRY. Prior to this time the allocation has been discretionary with the Department of Agriculture.

Mr. TOBEY. It has been a promise, but has not been translated into legislation.

Mr. WHERRY. With that observation, let me ask a further question: In answer to the distinguished Senator from Louisiana [Mr. ELLENDER], the Senator stated that his amendment did not mean granting the housewife an additional amount unless there was an increase in the supply from some source.

Mr. TOBEY. That is correct.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. TOBEY. I yield to the Senator from Michigan.

Mr. FERGUSON. The Senator may be able to answer both questions at one time. Is it not true that in the past the industrial users of sugar have had a 10-percent preferential over the housewives? In other words, industry has been receiving 10 percent more, based on historical use, than has the housewife. Could it not be so arranged that in the future the housewives would be taken care of rather than industrial users?

Mr. TOBEY. I will say to the Senator it is quite correct that at the present time the industrial users of the country are receiving more than 50 percent and the housewives are receiving a little under 50 percent. That is the reverse of the situation which existed some years ago. I may at least make an answer which I hope will edify the Senator from Louisiana [Mr. ELLENDER]. I now address myself to the composite question posed by the three Senators—

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. MAYBANK. Does the Senator intend also to explain the serious situation existing in the milk-producing sections of the country? The Secretary of Agriculture assured us that he would look after the milk producers throughout the country, so that supplies which have been

wasted in the past would be saved this year. One of the main reasons for an increase in the sugar supply during the next few months is to take care of the milk producers in the West and in New England.

Mr. TOBEY. That is correct.

Mr. MAYBANK. That is where a large part of the sugar is going.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. TOBEY. I yield to the Senator from Vermont.

Mr. FLANDERS. Will the Senator from South Carolina repeat his question?

Mr. MAYBANK. At the hearings the Secretary of Agriculture assured the subcommittee that he believed he would be able to look after the milk-producing areas of the country in the next few months, and that by so doing large quantities of milk would be saved by conversion to condensed milk. It would be a great boon to the milk producers. I asked the distinguished Senator from New Hampshire if that was not one of the best uses of sugar. It is essential to the farmer and the dairyman.

Mr. FLANDERS. In the letter which I read from the Secretary, he called attention to the desire and intention to allocate sufficient sugar to prevent the spoilage of foodstuffs. He said that this would affect the amount which it would be proper to allocate to housewives, but that he would allocate all that was possible, with that reservation as to food spoilage.

Mr. MAYBANK. According to the testimony, the main question of food spoilage related to milk.

Mr. FLANDERS. That is the worst situation.

I should like to make one further point. Any mandatory provision we might place in this joint resolution for decreasing the amount of sugar that goes to industry in order to give more to the housewife would, I am sure, be most unfortunate, indeed, because it would reduce employment in the food-processing industry and would perhaps reduce it more in connection with the smaller and newer undertakings than in the case of older and well-heeled ones. So the amendment which the Senator from New Hampshire proposes, which would hold the industrial allotment steady and build up the housewife's allotment, is better than any proposal which would reduce the industrial allotment.

Mr. MAYBANK. Would it not also take away much of what the Secretary of Agriculture now contemplates giving to the dairy industry throughout the country?

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. As I understand, the parliamentary situation is that the distinguished Senator from New Hampshire is offering an amendment to the committee amendment. Therefore, it is an amendment in the second degree.

The PRESIDING OFFICER (Mr. BALL in the chair). That is correct.

Mr. WHERRY. Therefore, it is not in order for me to offer an amendment

to the amendment offered by the distinguished Senator from New Hampshire?

The PRESIDING OFFICER. The Senator is correct.

Mr. TOBEY. I am sorry, but that is true.

Mr. WHERRY. Will the Senator yield long enough for me to say that I should like to propose an amendment which contemplates what the Senator would like to have done, and I should like to have an opportunity to explain my amendment.

Mr. TOBEY. I will give the Senator the answer that Agrippa gave to St. Paul: "Almost thou persuadest me"—but not quite.

I have an answer to give to the three Senators who have asked a question. Then I shall be glad to answer the Senator's question. This is the answer:

I had considered the advisability of reducing the present industrial user's allotment to give more sugar to the housewife. Before drafting an amendment to accomplish this, I conferred with Secretary Anderson and Mr. James H. Marshall, Director, Sugar Branch, Department of Agriculture, to see what the effect of such a policy would be.

Secretary Anderson informed me that to withdraw, for instance, 5 pounds per capita of sugar for home consumption from the present allotments allowed to industrial users would mean a withdrawal of approximately 375,000 tons from the industrial users. That would mean that for the second half of this year, instead of obtaining 75 percent of their 1941 base period, industrial users would get between 50 to 55 percent of that base period allotment. 50 percent is the lowest that industrial users were ever reduced to throughout the whole rationing period, and that has occurred for a very short period of time. When that did occur, several small sugar users were put out of business.

Secretary Anderson and Mr. Marshall pointed out the two main objections to such an amendment as is now proposed. The great majority of industrial users, while constantly requesting greater allotments, are satisfied that they are being dealt with fairly at the present time. They will cooperate, and cooperation of the industry goes a long way toward securing effective controls. Should this amendment be adopted, they will feel that they are being dealt with in an unfair manner and that will jeopardize the timely adoption of legislation and the effective administration of sugar controls.

Secondly, and this is the most important consideration, a large number of small industrial users will be put out of business with the serious effect that always has on our economy. It will mean reduction of employment. It will go contrary to the spirit of present-day legislation in aid to small business.

Let us not forget that industrial users are presently obtaining only 60 percent of the 1941 base period use. Several industrial users are rendering indispensable services. They are furnishing chocolate bars to the armed services and to the children of our country. Even bakers need a small amount for bread. Many couples are employed and must

purchase their pastries, because they do not have the time for home cooking.

We must approach this problem of rationing, not from the demagog's viewpoint, but from the point of view of getting the utmost supply possible for the housewife consistent with the minimum needs of industrial sugar users.

Let us not forget that the people of the United States will get 35 pounds per capita as a minimum under the present bill, and all the sugar from hotels, restaurants, and all types of institutions, which amounts to another 5 pounds per capita.

From that aspect, it is true that the amount for home consumption is a little less than 50 percent. Conversely, it is true that commercial sugar users get a little more than 50 percent of the present supply of sugar. Before the war, the figures were reversed. There are no accurate figures available, but the Department of Agriculture believes that the best estimates are that a little more than 50 percent of the sugar supply went to home consumption.

The shift in figures can be explained as follows. The Department of Agriculture in making the allotments took notice of the facts that:

First. During the higher-income period that we are now in, there are many more persons purchasing pastries and sweets than in the prewar period.

Second. When the sugar allotment was, for a brief period of time, reduced to 50 percent of the current supply, a large number of small commercial users were put out of business.

Third. In the present food-scarcity period, it is wise to save all possible fruits, and commercial canners need a larger amount of sugar to do that, as they handle such a large bulk of food.

Fourth. Milk producers need four or five times more sugar than they did before the war, to preserve milk supplies. More people use canned milk for babies, and so forth, than they did before.

Fifth. The housewife does not keep a 15- to 25-pound supply on her shelves as before the war.

Mr. President, although we are advised to avoid vain repetitions, nevertheless I shall repeat something I said a while ago, for more Senators are now in the Chamber than were present at that time: I pointed out, for the benefit of veterans, this truth: Approximately 8,000 veterans have availed themselves of the benefits of the GI bill of rights, which the Congress passed, to start small sugar-using businesses, such as soft-drink businesses, ice-cream businesses, bakeries, candy businesses, some pharmaceutical businesses, or businesses involving the production of gelatin desserts, or other types of desserts. We must not yield to any parliamentary motion or procedure which will put them and thousands of other small commercial sugar users out of business.

Mr. President, I yield the floor.

Mr. McCARTHY. Mr. President, the Senator from New Hampshire [Mr. TOBEY] has proposed an amendment based upon the thought that the sugar-rationing program will continue until March 31, 1948. There is considerable opinion to the effect that the pending measure will be amended so as to con-

tinue sugar rationing only to October 31 of the present year. The junior Senator from Ohio [Mr. BRICKER] and myself, who are on the subcommittee studying the sugar situation, felt at the end of those studies, and we still feel, that more sugar is available now than was available during any one prewar year. Accordingly, we drafted a measure to do away immediately with all sugar rationing, but to continue sugar-inventory controls. By way of a compromise, we agreed with a number of Senators on the other side of the aisle, and also with our Republican colleagues who differed with us, to draft an amendment providing for an October 31 end of sugar rationing. If that amendment prevails, then the amendment of the Senator from New Hampshire will be meaningless, for his amendment presupposes that rationing will continue until next March. If we vote to end sugar rationing as of October 31 of this year, then—

Mr. TOBEY. Mr. President, will the Senator yield to me for a correction?

Mr. McCARTHY. I prefer not to yield until I conclude this part of my remarks.

Mr. TOBEY. Does not the Senator wish to be set aright?

Mr. McCARTHY. Of course. I yield for that purpose.

Mr. TOBEY. I thank the Senator very much.

Mr. President, the Senator from Wisconsin has stated that my amendment presupposes that controls will continue until next March. My amendment presupposes nothing of the sort, I say to the Senator in all kindness. My amendment simply says that when, as, and if—whether it be in June, August, or September—there is any increase, the increase shall forthwith be passed on to the housewives. No date at all is set in the amendment.

Mr. McCARTHY. Mr. President, let me point out that the Senator's amendment provides for a 35-pound allotment for the year. If we end the controls as of October 31, then Mr. Dice, or whoever is administering the rationing program at that time, can allow any amount he wants to allow before October 31, and can say that they will receive the remainder after rationing is ended.

Mr. President, the Senator's amendment has considerable merit, but I believe we should not consider his amendment at this time. I believe he should wait and see whether we intend to end controls as of October 31 or as of March 31 of next year. I think the Senator from New Hampshire should wait, and should resubmit his amendment at the proper time, if necessary.

For that reason, Mr. President, I now move that the amendment submitted by the Senator from New Hampshire to the committee amendment be laid on the table until such time as it shall be properly brought before the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wisconsin to lay on the table the amendment submitted by the Senator from New Hampshire to the committee amendment. The motion is not debatable.

Mr. TOBEY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JOHNSON of Colorado. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hickenlooper	Murray
Ball	Hill	Myers
Brewster	Hoey	O'Connor
Bridges	Holland	O'Daniel
Brooks	Ives	O'Mahoney
Buck	Johnson, Colo.	Overton
Butler	Johnston, S. C.	Pepper
Byrd	Kem	Revercomb
Cain	Knowland	Robertson, Va.
Capehart	Langer	Russell
Capper	Lodge	Saltonstall
Chavez	Lucas	Sparkman
Cooper	McCarran	Stewart
Donnell	McCarthy	Taft
Dworshak	McClellan	Taylor
Eastland	McFarland	Thomas, Utah
Ecton	McGrath	Thye
Ellender	McKellar	Tobey
Ferguson	McMahon	Umstead
Flanders	Magnuson	Watkins
Fulbright	Malone	Wherry
Green	Martin	Williams
Gurney	Maybank	Willson
Hawkes	Millikin	Young
Hayden	Moore	

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present.

The question is on agreeing to the motion of the Senator from Wisconsin [Mr. McCARTHY] to lay on the table the amendment offered by the Senator from New Hampshire [Mr. TOBEY] to the first committee amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WHERRY. I announce that the Senator from Connecticut [Mr. BALDWIN] and the Senator from Ohio [Mr. BRICKER] are absent by leave of the Senate.

The Senator from Indiana [Mr. JENNER] and the Senator from Wyoming [Mr. ROBERTSON] are absent because of illness.

The Senator from South Dakota [Mr. BUSHFIELD] is necessarily absent.

The Senator from Kansas [Mr. REED] is unavoidably detained. He has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from Wisconsin [Mr. WILEY] is absent by leave of the Senate because of attendance at an important committee meeting. He has a pair with the Senator from Oregon [Mr. MORSE] who is absent by leave of the Senate. If present and voting the Senator from Wisconsin would vote "yea" and the Senator from Oregon would vote "nay."

The Senator from New Jersey [Mr. SMITH], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Oregon [Mr. CORDON] are absent by leave of the Senate because of attendance at an important committee meeting. If present and voting the Senator from New Jersey would vote "nay."

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. BARKLEY], the Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], and the Senator from New Mexico [Mr. HATCH] are absent by leave of the Senate because of attendance at an important

meeting of the Committee on Foreign Relations.

The Senator from California [Mr. DOWNEY], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from West Virginia [Mr. KILGORE] is absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent on official business at one of the Government departments.

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED].

If present and voting, the Senator from Kentucky [Mr. BARKLEY], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], the Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], and the Senator from New York [Mr. WAGNER] would vote "nay."

The result was announced—yeas 26, nays 48, as follows:

YEAS—26

Brooks	Hawkes	Overton
Butler	Ives	Revercomb
Cain	Kem	Taft
Capehart	McCarthy	Thye
Dworshak	McKellar	Watkins
Ecton	Malone	Wherry
Ellender	Martin	Williams
Ferguson	Moore	Willson
Gurney	Murray	

NAYS—48

Alken	Hill	Millikin
Ball	Hoey	Myers
Brewster	Holland	O'Connor
Bridges	Johnson, Colo.	O'Daniel
Buck	Johnston, S. C.	O'Mahoney
Byrd	Knowland	Pepper
Capper	Langer	Robertson, Va.
Chavez	Lodge	Russell
Cooper	Lucas	Saltonstall
Donnell	McCarran	Sparkman
Eastland	McClellan	Stewart
Flanders	McFarland	Taylor
Fulbright	McGrath	Thomas, Utah
Green	McMahon	Tobey
Hayden	Magnuson	Umstead
Hickenlooper	Maybank	Young

NOT VOTING—21

Baldwin	George	Smith
Barkley	Hatch	Thomas, Okla.
Bricker	Jenner	Tydings
Bushfield	Kilgore	Vandenberg
Connally	Morse	Wagner
Cordon	Reed	White
Downey	Robertson, Wyo.	Wiley

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question now recurs on the amendment offered by the Senator from New Hampshire [Mr. TOBEY] to the first amendment of the committee.

TRIAL PIECES OF COINS

Mr. McCARRAN. Mr. President, on Monday, when the calendar was called, the Senator from Nevada objected to two numbers on Calendar No. 36, Senate bill 565, and Calendar No. 37, Senate bill 566. I now ask the attention of the Senator from Vermont [Mr. FLANDERS]. At that time I was not fully apprised or informed as to the purport of those bills. Since that time I have become conversant with the meanings of the bills.

I now ask unanimous consent that I be permitted to withdraw my objection to Calendar No. 37, Senate bill 566, and also to withdraw my motion to reconsider Senate bill 565, Calendar No. 36. If there

is no objection, I should like to have those measures taken up.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

Mr. WHERRY. Mr. President, that requires unanimous consent, does it not?

The PRESIDING OFFICER. It does.

Mr. McCARRAN. That is what I am asking.

Mr. WHERRY. Reserving the right to object, will the Senator restate his reasons for making the unanimous-consent request at the present time?

Mr. McCARRAN. When the calendar was being called on Monday, last, I objected to Calendar No. 37, Senate bill 566. Calendar No. 36, Senate bill 565, had at that time already been passed. I then moved to reconsider the vote by which S. 565 was passed. The bills pertain to silver, and I had not been advised as to the purport of them. Since that time, I have become conversant with them and I have no objection to their passage. I desire to withdraw my objection and my motion to reconsider.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada to withdraw his motion to reconsider the vote by which the bill (S. 565) to amend section 3539 of the Revised Statutes relating to taking trial pieces of coins was passed? The Chair hears none; the motion to reconsider is withdrawn, and the bill stands passed.

FINENESS OF SILVER INGOTS AND WEIGHT OF SILVER COINS

Mr. McCARRAN. Mr. President, I also request unanimous consent to withdraw my objection to Senate bill 566.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada? The Chair hears none. The Chair now inquires if there is objection to the present consideration of the bill?

There being no objection, the bill (S. 566) to amend sections 3533 and 3536 of the Revised Statutes with respect to deviations in standard of ingots and weight of silver coins, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

CENTRALIA COAL MINE DISASTER.

Mr. WHERRY obtained the floor.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from Illinois.

Mr. BROOKS. Out of order, I ask unanimous consent to submit a resolution, and I ask that it be appropriately referred.

The PRESIDING OFFICER. Without objection, the resolution will be received.

Mr. BROOKS. Mr. President, I should like to state that the resolution is concerned with the tragic explosion in the Centralia Coal Co. mine No. 5, announced in today's newspapers. From all the reports, 131 miners were trapped at the bottom of the shaft, 9 of them have been removed and are alive, 1 was removed dead, and 14 accounted for as dead. It is feared that the others may perish. If they do it will be the worst mining tragedy in the United States in 19 years.

This mine was under the operation of the Federal Government, through the

Secretary of the Interior. It has been stated that there were many violations, not only of the Federal safety rules, but of the rules for mine safety laid down by the State of Illinois.

The resolution I have submitted provides that the Committee on Public Lands, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of the mine explosion which occurred at Centralia Coal Co. Mine No. 5, at Wamack, Ill., on March 25, 1947, with a view to determining the cause of such explosion, and whether adequate inspection was being maintained. The committee shall report its findings to the Senate as soon as possible, including its findings as to the negligence, if any, of any agency or official of the United States in connection with the explosion.

Mr. BRIDGES. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I am very glad to yield to the Senator from New Hampshire.

Mr. BRIDGES. I am very glad that the Senator from Illinois has submitted this resolution. When I picked up the newspaper this morning and read that a blast in a coal mine in Illinois had killed a large number of men, and that one hundred odd more men were trapped, it concerned me, for it was a great tragedy. It is very important at this point to note that on November 4 to November 6, Mr. Frank Perz, a Federal coal-mine inspector, made an inspection of No. 5 Mine of the Centralia Coal Co. in Illinois, the mine at which the tragedy occurred. A report was submitted to the Coal Mines Inspector, Mr. Collisson, on November 26, 1946, and this report showed a widespread violation of the safety laws of the Federal Mine Safety Code.

The Krug-Lewis agreement was executed on May 29, 1946. The report of the inspector shows a wholesale infraction of the Federal Mine Safety Code, as a result of which, a death trap for some 130 men was created. To my mind, it is a disgrace for the Federal Government, in the operation of the coal mines, to permit a direct violation of all the safety codes to go on resulting in this great tragedy. I hold in my hand the recommendations of the inspector; first, his findings, and then his recommendations. They are amazing, and yet the man who assumed the great responsibility of properly and safely operating this mine, Mr. Krug, the Secretary of the Interior, is spending his time traveling all over the United States and all over the Pacific Ocean trying to build up a background for a Vice Presidential campaign. He is the man who, in great arrogance, a very short time ago, was reported as saying, "I don't care what the boys on the Hill do about appropriations, I can bring pressure enough to swing them into line."

That arrogant bureaucrat who heads the Department of the Interior is the man who today must assume the responsibility for this mine disaster because upon the basis of his inspector's report he could have ordered conditions corrected or closed the mine. At the present time he is in the process of removing the Director of Mines and putting in a man of his personal choice. The inaction of the Secretary or his repre-

sentative preceding this great mine tragedy is a disgrace. The Senator from Illinois is performing a real service in demanding a complete Senate investigation. When the full story is told, it will be a tragic revelation of Federal bureaucracy at its worst. That is what we have in the operation of that mine in Illinois.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. CHAVEZ. I want to thank the Senator from Nebraska for his indulgence. I also want to thank the Senator from Illinois [Mr. Brooks] and the Senator from New Hampshire [Mr. Bridges] for their interest in the miners of the United States. It seems, however, that it requires the happening of a tragedy such as this to call the attention of the Members of this body and of the other House to the bleak sufferings of the miners of this country. Sometimes it seems we only think about them when something happens such as the tragedy which occurred yesterday in Illinois. But when some of us try to obtain a small appropriation in order to hire inspectors to inspect the mines of New Mexico, Colorado, Wyoming, Nebraska, or West Virginia, Congress appears to get into an economical mood, and individual Members of Congress seem to suffer because of the tremendous Federal expenditures which would be involved in such an appropriation.

Mr. President, I hope this tragic accident in Illinois will be a lesson to us all. I hope in the future it will not require a tragedy to make Members of Congress think about the miners. Only 2 or 3 months ago we were condemning the coal miners, at least some persons were condemning them, simply because they dared to express their rights as Americans. Then how our hearts bleed for them after they die in the guts of the earth. I hope this terrible tragedy will be a lesson to us all, and that the economically minded Senate will remember it when requests are made for appropriations to employ a few extra mine inspectors to protect the lives of miners.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. CAPEHART. The speech just made by the able Senator from New Mexico might be appropriate, though I question it. It certainly is not appropriate in this instance, because I hold in my hand the report made by the Federal inspector to the Secretary of the Interior, about which nothing was done. So it does not do any good to stand on the floor of the Senate and blame the Republicans or the Appropriations Committee in this instance, because in this case the Federal inspector was paid, and there was sufficient money to send him to the mine to make the inspection. He was sent there, he went there, he made the inspection and submitted a report, but nothing was done about it. More appropriations in this instance would have done no good whatsoever.

Mr. CHAVEZ. Mr. President, will the Senator again yield so I may make a reply to the Senator from Indiana?

Mr. WHERRY. I yield.

their grain and at the same time assured them that there would be no increase granted in the price ceilings; but what can be said in the interest of the wheat and corn growers of the West can likewise be said of the eastern dairy farmer and poultry grower. The eastern farmers are just as much entitled to a subsidy payment on their crops as are the western farmers, and, if this bill is to be passed, the eastern farmers should be included. But the Federal Treasury cannot stand such raids as this bill proposes; our eastern farmers realize that and are not asking for any additional payments, but they are not going to sit idly by, nor are their representatives, and see the Treasury raided by some other group, whose claims are not better than theirs.

I intend to oppose this bill or any similar bill introduced into the Senate.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LANGER. Mr. President, I wish to say, first of all, that the Senator from Delaware has been absolutely unfair in his statement in reference to the bill. A similar bill was reported by a unanimous vote of the Committee on Agriculture at the last session.

Mr. KEM. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. KEM. I should like to ask the Senator from North Dakota if there were not two dissenting votes—the vote of the Senator from Illinois, who stands next to the Senator from North Dakota, and the Senator from Missouri?

Mr. LANGER. The then Senator from Missouri, Mr. Briggs, voted for it at the last session. It was voted out, as can be proved by the chairman of the committee, the Senator from Oklahoma [Mr. THOMAS].

What are the facts in regard to the 30-cent bonus? I do not know why the question is brought up today. While the bill is on the calendar, no Senator has made a motion that the Senate consider it. But since it has been discussed, I should like to make absolutely clear the position of the Committee on Agriculture and Forestry.

Mind you, Mr. President, the Department of Agriculture set the price at \$1.38 a year ago. The ceiling price was \$1.51. Ninety percent of that is approximately \$1.38. The farmers relied upon that price. At the time of threshing we wrote not one letter but many letters to the Department of Agriculture. We wanted to know if that price was to be raised. We were assured by the Department of Agriculture not once but many times that the ceiling price would be left exactly where it was. At the same time a great many of the farmers who needed money badly were assured by the Government that the ceiling price would not be raised. Many thousands of them in Montana, South Dakota, North Dakota, and, in fact, all over the West took out CCC loans upon their wheat. Those loans were not due until April 1. What happened? All of a sudden it was stated that in England wheat and corn were needed. So before the Senate Committee on Agriculture

and Forestry there was produced letter after letter sent out by the Department of Agriculture calling some of the loans in January, some in February, and some in March. What could the poor farmers do? In the western part of my State the snow was 3 or 4 feet deep. The Department of Agriculture said, "Pay your note." The only way the farmer could pay it was by selling the pitiful amount of wheat he had. The farmers hired trucks to haul their wheat so that people in Europe would not starve. Those loans, mind you, Mr. President, were not due for a month or 2 months or 3 months; but, nevertheless, they were called in by the Government.

Then on the 18th day of last April, out of a clear sky, Mayor LaGuardia, who had been appointed head of UNRRA, and the new Secretary of Agriculture, Mr. Anderson, got into an airplane and went to Climax, Minn., and Fargo, N. Dak.; and there they said to all the farmers who had not hauled in their wheat, who had not brought in this "mercy wheat," "We are going to give you 30 cents a bushel more because you did not care whether the people over in Europe died. Even though you kept it, we are going to give you 30 cents a bushel more."

So, Mr. President, the farmer who was not patriotic received 30 cents a bushel more than the farmer who was patriotic received.

All we are trying to do by this measure is to see that the farmer who was patriotic is treated on an equal basis with and just as fairly as a farmer who was not patriotic.

Mr. President, that is not all. Eleven Senators, including the then Senator Briggs, of Missouri, went to the Department of Agriculture on the 21st of April, and protested. We said, "It is not fair," and we asked the Department to be so kind as not to pay the additional 30 cents a bushel.

Mr. KEM. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. LANGER. I decline to yield at this time.

The PRESIDENT pro tempore. The Senator from North Dakota declines to yield.

Mr. LANGER. As I was saying, Mr. President, we asked them to be so kind as not to pay the additional 30 cents a bushel. Mind you, Mr. President, the junior Senator from Nebraska made in that connection, before the Secretary of Agriculture, one of the best pleas I have ever listened to. Please bear in mind also, Mr. President, that in that delegation were both Democrats and Republicans. The distinguished Senator from Nebraska said this:

We have in Nebraska thousands and thousands of cattle that are being fed corn in the feed lots, and there is only a 10-day supply of corn to feed to them.

He then cited the case of two farmers who were in partnership and who were feeding 7,000 head of cattle. He laid that fact before the Department of Agriculture and its Secretary, Mr. Anderson.

He stated that in Nebraska there were thousands of farmers who had in the feed lots cattle for which they had paid big prices; and he stated that, among others, there were two farmers who had 7,000 head of cattle in the feed lots. At that time those of us in the delegation said, "The Government is going into the black market now and is paying 30 cents a bushel more than any farmer can pay to fatten those cattle." I myself said that to the Secretary of Agriculture, and so did other Senators.

But, Mr. President, what did the Secretary of Agriculture say? He said, "It is just too bad. The farmers who have bought those cattle will have to take a loss. The Government will pay 30 cents more, but any farmer who pays more than \$1.20 will go to jail."

Mr. President, I ask any Senator whether my statement is correct. They will confirm what I have said. I shall be glad to yield to the distinguished Senator from Nebraska or to any other Senator who accompanied us over there. Eleven Senators, both Democratic and Republican Senators, attended that meeting.

Mr. President, on that committee last year there were economically minded men, men who did not want to waste a dollar of money belonging to the Government. When they investigated they found that on the advisory committee of the Department of Agriculture dealing with "mercy wheat" was a man by the name of Tom Campbell, who at that time had 400,000 bushels of his own wheat at Hardin, Mont. He did not sell it when the Senator from Michigan [Mr. VANDENBERG] and the Senator from Texas [Mr. CONNALLY] were begging the farmers to sell the wheat; but he kept it. However, he was a member of that advisory committee. Yet just as soon as the 18th day of April came he hauled in every bushel of that wheat and made a profit of \$120,000. But the poor farmer who had only 1,000 or 3,000 bushels of wheat, and whose loan had been made by the Government, and whose loan had been called in, did not get a single penny.

On the subject of the cost, I hate to say that my distinguished friend, the Senator from Delaware [Mr. WILLIAMS] is not correct; but the truth of the matter is that we received a letter on that subject, and it is in the possession of the Committee on Agriculture and Forestry, and we also had before the committee witnesses from the Department. That letter shows that the cost will be \$331,000,000. That letter is signed by a responsible official of the Department of Agriculture.

Let me say, further, that when the witnesses were before the committee, we asked them to state the number of bushels that were sold by the farmers in each State, and we also asked them exactly what the payment of 30 cents a bushel would amount to.

Mr. President, I do not know why this matter was brought up today, out of a clear sky; but when the time comes and when this measure is before the Senate, at that time, I, for one, together with my distinguished colleague from North

Dakota [Mr. Young] propose to act together with various other Senators, including the senior Senator from Nebraska [Mr. BUTLER], who joined in that measure; the junior Senator from Nebraska [Mr. WHERRY], I believe; the Senator from South Dakota [Mr. BUSHFIELD], the Senator from Kansas [Mr. CAPPER], and various other Members of the Senate, to bring the truth fairly and squarely before the Senate.

Mr. WILLIAMS. Mr. President, I wish to say merely a few words in response to the statement which has been made by the distinguished senior Senator from North Dakota [Mr. LANGER]. Let me state that the figures I have cited regarding this matter are, for the most part, taken from statistics published in 1946 by the Department of Agriculture.

Mr. LANGER. Mr. President, I wish to say in reply that before the committee we had representatives of the Department of Agriculture; and at that time we had, and we have now, letters signed by responsible officials of the Department of Agriculture stating that the total cost will be \$331,000,000.

Mr. WILLIAMS. Mr. President, I am not questioning the information which the Senator received in the committee. It so happens, as the Senator knows, that the eastern section of the United States has only a very small representation on the Committee on Agriculture and Forestry. That fact has been pointed out several times. As we all know, there is only one Senator from the Northeastern States on the Committee on Agriculture and Forestry. So about the only way we can obtain desired information is by consulting the books or other publications.

Mr. President, all the figures are in the documents I have before me, and I think they can be fully substantiated. According to the Department of Agriculture, the United States produced 3,000,000,000 bushels of corn and 1,000,000,000 bushels of wheat during that period; and according to these figures, a payment of 30 cents a bushel for that production will amount to \$1,200,000,000—unless it is proposed not to pay some of the farmers. However, if the payment is to be made to any, surely it should be made to all of them. If payment is made for all the wheat and corn which, according to the figures I have cited, was produced in that calendar year, the cost will be \$1,200,000,000. On the basis of these figures, no other conclusion can be reached.

Mr. WHERRY obtained the floor.

Mr. KEM. Mr. President, will the Senator yield to me?

Mr. WHERRY. I am glad to yield for a question.

Mr. KEM. I wish to interrogate the distinguished Senator from North Dakota [Mr. LANGER] for a moment.

Mr. LANGER. I shall be delighted to have the Senator do so.

Mr. KEM. I wish to ask the Senator from North Dakota whether he has in mind that since a similar bill was approved by the Committee on Agriculture and Forestry in the Seventy-ninth Congress, a very significant thing has occurred—namely, the election of last November—and that the then Senator Briggs of Missouri, to whom the Senator

from North Dakota has referred as having voted for that bill, is no longer a Member of the Senate, and that this Congress has received from the people of the United States a mandate to stand firm against pork-barrel legislation, of which this measure is a flagrant example, and also a mandate to balance the budget and to use every possible means to reduce the expenditures of the Federal Government.

Mr. LANGER. Mr. President, let me say to my distinguished friend the Senator from Missouri, if the Senator from Nebraska will yield for that purpose—

Mr. WHERRY. I yield.

Mr. LANGER. Let me say to him that I do not know why former Senator Briggs is not now a Member of the Senate; but I do know that Senator LANGER, of North Dakota, who introduced this measure, is here, and I know that the measure has also been approved by various other Senators who likewise were reelected.

Mr. DONNELL. Mr. President, in response to the statement of the distinguished Senator from North Dakota as to why Mr. Briggs is not here, I will say that Mr. KEM was elected in Missouri in his place by a majority of 60,000 votes.

EXTENSION OF SUGAR CONTROLS

The Senate resumed the consideration of the resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. TOBEY], adding at the end of the first committee amendment certain words.

RECESS

Mr. WHERRY. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 2 minutes p. m.) the Senate took a recess until tomorrow, Thursday, March 27, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 26 (legislative day of March 24), 1947:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America:

Elmer H. Bourgerie, of Maryland.
George A. Morgan, of the District of Columbia.

W. Leonard Parker, of New York.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America:

James D. Bell, of New Mexico.

Frank P. Butler, of New Jersey.

Nat B. King, of Texas.

Harold H. Rhodes, of Washington.

Roy Richard Rubotton, Jr., of Texas.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Davis M. Bane, of Pennsylvania.

William G. Gibson, of New York.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Theo C. Adams, of Texas.

Slator C. Blackiston, Jr., of North Carolina.

William B. Connett, Jr., of the District of Columbia.

John I. Fishburne, of South Carolina.

John E. MacDonald, of New Hampshire.

Gilbert L. Newbold, of New Jersey.

John B. Young, of New Jersey.

IN THE NAVY

The following-named officers to the ranks indicated in the line of the Navy:

(*Indicates officers to be designated for EDO and SDO subsequent to acceptance of appointment)

ENSIGNS

Aeschbach, Warren E.	Fish, Harold M.
Anthony, Robert P.	Fisher, Paul E.
Augenblick, Richard G.	Fogg, John K.
Austin, William H., Jr.	Fullerton, Gordon W.
Bagwell, Wallace B.	Galvin, Thomas F.
Barksdale, Allen D.	Gatts, William H.
Beck, Lester H.	Gebler, Gerald P.
Bell, John, Jr.	Gibbs, Edward M.
Bennett, Walter F., Jr.	Glowasky, William A.
Best, Carl O.	Glusenkamp, Arthur F.
Biscomb, Lloyd I., Jr.	Gray, Leland T., Jr.
Black, Owen J.	Grieb, "J" "C"
Bluestone, Max	Gudal, Sigurd M.
Boland, Joseph P.	Gurley, Walter P.
Bowden, John L., Jr.	Gumb, Dana F.
Braid, Robert A.	Haecherl, Frank S.
*Brandenburg, Howard H.	Hahn, George C.
Brewer, Norman E.	Hall, Donald M.
Brewington, William I.	Handel, John W., Jr.
*Britton, Beverly L.	Hanson, Peter S.
Brooks, Claude C.	Harper, John R.
Brown, Louis F., Jr.	Hebert, Frank C.
Bunger, Samuel J.	Henry, George L.
Burke, Edwin J.	Herbert, Christopher A.
Burt, Robert A.	Herbert, Charles E.
Campbell, William M.	Herzog, James H.
Carlin, Joseph W.	Hickman, Wilbur M.
Chester, Raymond M.	Hill, Arnold M.
Chronister, Irvin G.	Hilton, Calvin E.
Clark, Albert H.	Hodges, Thomas V.
Condit, Leslie T., Jr.	Hord, John W.
Condon, Vernon W.	Howard, Donnell
Conn, Robert H.	Hubka, Verne R.
Craig, Robert M.	Hunter, Guy E.
Cruse, Vernon E.	Irving, Robert
Cruiser, Handford T.	Jackson, Lee S., Jr.
3d	Janson, Richard H.
Cummings, Donald E.	Johnson, Edwin H., Jr.
Cundy, David R.	Johnson, John D., Jr.
Davenport, Thomas T.	Johnston, Joseph L.
Davis, William J.	Johnston, Richard C.
Day, Charles F.	Jones, Grover C.
DeCamp, Dwight E.	Kaluza, Martin S.
Decker, Albert R.	Kauffman, Allen P.
DeLaverne, Cornelious B.	Keefe, William J., Jr.
*Divine, Forrest M.	Kenyon, Arnold O., Jr.
Doak, William C.	Kimble, Elbert D.
Dobyns, Robert E.	King, Harry W.
Dollard, Thomas J., Jr.	Kline, Edward C., Jr.
*Dowdell, James S.	Knight, Thomas C.
Drabent, Eugene A.	Koch, Don R.
Drum, Henry W.	Kohler, Frederick W.
Dura, Leon J.	Koster, Edwin R.
Durden, Walter D.	Lackore, Raymond C., Jr.
Durkin, Michael F.	Lamson-Scribner, Frank H., Jr.
Dutton, Charles R.	Larson, Ben R.
Eadie, Charles J.	Larson, Wilfred C.
Eaton, Kenneth H.	Lawrence, Harry B.
Else, Leslie A.	Leask, Joseph A.
Erdner, Lewis E.	Lee, Earl B.
Ernst, Francis C.	Lennon, Gerard T.
Erwin, David A.	Lienhard, Bernard A.
Etcher, Robert W.	Lyons, James I.
Ewald, Arden A., Jr.	MacDonald, Ivan L.
Farris, George W.	Magee, William M.
Finley, John P., Jr.	*Magennis, Edward G.

S. J. RES. 58

IN THE SENATE OF THE UNITED STATES

MARCH 26 (legislative day, MARCH 24), 1947

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. TOBEY to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, viz:

- 1 On page 4, line 20, after the period, insert the following:
- 2 "The annual and sick leave of personnel so transferred shall
- 3 be transferred with them; and they shall be entitled to the
- 4 benefits of section 14 of the Veterans' Preference Act of
- 5 1944 to the same extent and effect as though they had
- 6 remained employees of the agency from which transferred
- 7 until the termination of such functions."

AMENDMENT

Intended to be proposed by Mr. TOBEY to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

MARCH 26 (legislative day, MARCH 24), 1947

Ordered to lie on the table and to be printed

S. J. RES. 58

IN THE SENATE OF THE UNITED STATES

MARCH 26 (legislative day, MARCH 24), 1947

Ordered to be printed

AMENDMENT

Proposed by Mr. TOBEY to the joint resolution (S. J. Res. 58)
to extend the powers and authorities under certain statutes
with respect to the distribution and pricing of sugar, and for
other purposes, viz:

1 On page 2, line 20, before the period insert a colon and
2 the following: "*And provided further*, That refined sugar
3 shall be allocated for home consumption at a rate of not less
4 than thirty-five pounds per capita per calendar year, and any
5 increase in the amount of sugar available for allocation in
6 the calendar year 1947 over the amount recommended by the
7 International Emergency Food Council for allocation to the
8 United States for 1947 shall be allocated for home consump-
9 tion until the allocation for such use equals fifty pounds of
10 refined sugar per capita".

AMENDMENT

Intended to be proposed by Mr. Tower to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

MARCH 26 (legislative day, MARCH 24), 1947

Ordered to be printed

S. J. RES. 58

IN THE SENATE OF THE UNITED STATES

MARCH 26 (legislative day, MARCH 24), 1947

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WHERRY to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar and for other purposes, viz.:

- 1 On page 2, line 20, before the period insert a colon and
- 2 the following: "*And provided further*, That in exercising
- 3 the authority extended by this Act, the Secretary of Agri-
- 4 culture shall allocate, and permit the purchase of, refined
- 5 sugar for home consumption at a rate of not less than forty
- 6 pounds per person per year: *Provided further*, That having
- 7 in mind the need for sugar for home canning purposes, not
- 8 less than fifteen pounds per person shall be made available
- 9 for home consumption during the third quarter of 1947".

AMENDMENT

Intended to be proposed by Mr. WENNER to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

MARCH 26 (legislative day, MARCH 24), 1947
Ordered to lie on the table and to be printed

80TH CONGRESS
1ST SESSION

S. J. RES. 58

IN THE SENATE OF THE UNITED STATES

MARCH 26 (legislative day, MARCH 24), 1947

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WHERRY to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, viz: Strike out all of section 4 and insert in lieu thereof the following:

1 SEC. 4. The Secretary of Agriculture, in exercising the
2 allocation and rationing authority transferred to him by sec-
3 tion 3 of this Act, shall make available not less than fifty
4 thousand tons of refined sugar for other than provisional-
5 allotment users during the period from April 1, 1947, to
6 March 31, 1948, to provide for the needs of new industrial-
7 sugar users (with particular reference to the needs of shortage
8 areas caused by population shifts) and for the needs of those

1 who have an insufficient base period history to operate cur-
2 rently at competitive levels (and shall consider, as a deter-
3 mining factor in those cases where there is such insufficient
4 base period history, the rate of growth of such user prior
5 to the base period year).

80TH CONGRESS
1ST SESSION
S. J. RES. 58

AMENDMENT

Intended to be proposed by Mr. WERRY to the joint resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

MARCH 26 (legislative day, MARCH 24), 1947
Ordered to lie on the table and to be printed

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 28, 1947
For actions of March 27, 1947
30th-1st, No. 58

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HIGHLIGHTS: Senate passed sugar-controls continuation measure; agreed to end rationing by Oct. 31. Both Houses passed bill to continue various war powers other than sugar and rubber. House passed tax-reduction bill. Rep. Taber got permission to report deficiency appropriation bill today after adjournment. President approved bill making appropriations to combat foot-and-mouth disease.

SENATE

1. SUGAR CONTROLS. Passed, 46-34, with amendments H. J. Res. 146, to continue sugar controls and transfer them to this Department (pp. 2832-68).

Before taking up the House measure, the Senate acted on various amendments to its own measure, S. J. Res. 58. It agreed to the following amendments:

By Sen. Tobey, N. H., to provide for 35 pounds of sugar for each person and up to 50 pounds if supplies become available; by a 49-32 vote (pp. 2832-46).

By Sen. McCarthy, Wis., to end sugar rationing on Oct. 31, 1947, but to retain inventory controls over consumers other than household users; by a 45-35 vote (pp. 2847-59).

By Sen. Wherry, Nebr., to make available 50,000 tons of sugar for hardship cases for new businesses (p. 2861).

By Sen. Tobey, to provide that annual and sick leave shall be transferred with the employees and that they shall be entitled to the benefits of the Veterans' Preference Act of 1944 "to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such functions" (p. 2847).

Rejected the following amendments:

By Sen. McCarthy, to give housewives an allowance of 40 pounds between April 1, 1947, and Oct. 31, 1947 (in effect 10 additional pounds for canning); by a 32-47 vote (pp. 2859-61).

By Sen. Wherry, to provide 40 pounds a year for each person and 15 additional pounds for canning; by a 34-44 vote (pp. 2861-2).

The Senate then took up H. J. Res. 146 and substituted the language of S. J. Res. 58 as it had been amended (p. 2862). Before passage of the measure, Sen. O'Mahoney moved to recommit the bill (in reference to the Oct. 31 date),

but a motion by Sen. Taft to lay the O'Mahoney motion on the table was agreed to by a 44-36 vote (pp. 2865-7).

Sens. Tobey, Flanders, and Maybank were appointed Senate conferees (p. 2868).

2. WAR POWERS. Passed as reported S. 931, to extend until June 30, 1947, for liquidation, various powers under the Second War Powers Act except for those relating to rubber and sugar, which are covered by separate measures (pp. 2830-2).
3. APPROPRIATIONS. The Appropriations Committee reported without amendment H.J.Res. 159, making deficiency appropriations to cover pay costs of various departments (does not include USDA) (S.Rept. 79) (p. 2822).
4. GARBAGE DISPOSAL. Sen. Carper, Kans., submitted an amendment to be proposed by him to H.R. 597, to provide a means of controlling the handling of garbage from vessels, railway cars, aircraft, and other vehicles in territorial waters and on lands of the U.S. in order to reduce risk of diseases from such refuse and afford protection to American agriculture and to the public (p. 2824).
5. TVA AUDIT. Sen. Aiken, Vt., inserted a summary of the GAO audit of the TVA (pp. 2827-30).
6. PRICES. Sen. Morse, Oreg., inserted and discussed Blair Moody's articles on price reductions (pp. 2868-70).
7. RESEARCH. S. 526, as reported (see Digest 57), establishes a National Science Foundation comprised of a board of 24 members appointed by the President and confirmed by the Senate to formulate, and to encourage the pursuit of, an overall national policy for scientific research and education; provides for the biennial election from the board membership of a nine-man executive committee which will appoint a full-time director of the Foundation and confirm his appointment of a deputy director; and established an Interdepartmental Committee on Science, of which the Secretary (or his designee) would be a member, to prevent duplication of research programs by Government agencies. The bill would prevent the Foundation from exercising mandatory control over the research of Government agencies, but authorize it to carry out research programs in areas not otherwise covered by public or private programs by means of contracts, grants, loans, or other forms of assistance. Initially the Foundation would consist of divisions of (1) medical research, (2) mathematical, physical, and engineering sciences, (3) biological sciences, (4) national defense, and (5) scientific personnel and education, with each division having an advisory committee of not less than five members, who may or may not be members of the foundation. The bill also authorizes the awarding of scholarships and fellowships for scientific study and work at accredited colleges and universities; directs the Foundation to protect Government interests and individual equities by operating within existing patent practices of the Government, and authorizes appropriations to remain available for 4 years after obligation.

HOUSE

7. TAXATION. Passed as reported, 273-137, H.R. 1, the tax bill (pp. 2772-808).
8. WAR POWERS. Passed with amendment, substituting the language of H.R. 1983, S. 931, to continue certain war powers under Title II of the Second War Powers Act (pp. 2811-5). Reps. Michener, Springer, Fellows, Devitt, Walter, Byrne (N.Y.), and Cravens were appointed conferees (p. 2815). As passed the bill

At this time I ask that there be inserted in the RECORD an explanation, as set forth in the report of the committee which was filed on the 24th day of March. I refer especially to part II, beginning on page 3, and terminating on page 5. I ask that that be printed in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

II. RÉSUMÉ OF PRINCIPAL CONTROLS CURRENTLY IN FORCE

A. UNDER TITLE I.—EMERGENCY POWERS OF THE INTERSTATE COMMERCE COMMISSION OVER MOTOR AND WATER CARRIERS

The only control power under title I for whose continuance extensive testimony was submitted was that control currently in force to provide transportation services presently furnished by Capital Transit Co. to the Pentagon Building and vicinity under temporary orders from the Interstate Commerce Commission.

B. UNDER TITLE III.—PRIORITIES AND ALLOCATION POWERS

Of the thousands of orders which have at one time or another been issued under title III of the Second War Powers Act only a relatively small number of general orders remain in effect. A sketch of the chief provisions of the principal remaining orders, grouped by subjects is as follows:

1. Ralls (ODT General Orders 1, 16C and 18A):

- (a) Minimum loads prescribed;
- (b) Permit required for transportation of carload shipments of overseas freight to certain port areas for storage or delivery to ocean carriers.
- (c) Loading requirements prescribed.

2. Rubber (CPA Order R-1):

- (a) Restrictions on deliveries, consumption, inventories, importation, and end-use.
- (b) Specifications and manufacturing regulations.
- (c) Export controls.

3. Automobiles and trucks (CPA Order L-352): Export controls; same percent of total production as exported during 1935-39.

4. Farm wheel-type and track-laying tractors (CPA Order L-356): Limits production and shipment for export to any foreign country except Canada.

5. Manila (abaca), Agave fiber and cordage (CPA Order M-84):

- (a) Controls production.
- (b) Limits uses.
- (c) Limits inventories.

6. Cinchona bark and cinchona alkaloids—(CPA Order M-131):

- (a) Deliveries must be authorized by CPA.
- (b) Deliveries to consumer only through physician's prescription—amount restricted.

7. Streptomycin (schedule 119 to CPA Order M-300):

- (a) Producers, importers, distributors must apply to CPA for authority to make delivery.
- (b) Each mixture must be tested by FDA.

8. Antimony (CPA Order M-112):

- (a) Controls delivery.
- (b) Directions concerning use.
- (c) Inventory restrictions.
- (d) Reporting provisions.

9. Tin (CPA Orders M-43 and M-81):

- (a) Restrictions on deliveries of pig tin.
- (b) Allocation of pig tin.
- (c) Restriction on use of pig tin.
- (d) Restriction on sale and delivery of articles containing tin.

10. Steel (CPA Directives, 10 to M-21): Certain steel exports to be rated by Office of International Trade.

11. Sugar (War Food Orders 7, 63, 64):

- (a) Raw-sugar allocation.
- (b) Import control—sugar and sugar products.
- (c) Sugar rationing.

12. Rice (War Food Order 10): Set-aside order—percentage for Government use.

13. Cheddar cheese (War Food Order 15): Set-aside order—percentage for Government use.

14. Meats and meat products (War Food Order 63): Importation control.

15. Fats and oils (War Food Order 63): Importation control.

16. Beans (War Food Order 63): Importation control.

17. Peas (War Food Order 63): Importation control.

18. Protein feeds (War Food Order 63): Importation control.

19. Grain and grain products (War Food Order 63): Importation control.

20. General export restrictions (CPA Priorities Regulation 28): Minimum quantities of materials vitally needed in the United States permitted to be exported as necessary to the restoration of foreign countries.

21. General inventory regulation (CPA Regulation 32): Restricts ordering, deliveries, receipts, and processing of materials in short supply.

C. TITLE V.—WAIVER OF NAVIGATION AND INSPECTION LAWS

The waivers under this title are largely on an individual vessel basis. At present such waivers are in effect with reference to a number of vessels including both Government and privately operated. These waivers relate not only to safety and inspection requirements but also relate to crews.

Mr. WILEY. At one time, under the War Powers Act, more than a thousand orders were outstanding, but my understanding is at this time there are only some 21.

On June 30 the Export-Import Control Act expires unless continued, and it is the judgment of the committee that the President's request and the Export-Import Act should be considered together, and that between now and June 30 we should have the complete answer as to which of these controls should be continued for a longer time.

That in substance is the issue before the Senate. It has been stated dramatically by the Senator from New Hampshire [Mr. TOBEX] in relation to sugar. I personally feel that if this action is not taken and there should be a hiatus between the 30th of March and the time when we could get a bill passed, the consequences might be serious. I understand, a few nights ago, the President pro tempore of the Senate [Mr. VANDENBERG], the Senator from Kentucky [Mr. BARKLEY], and several of the distinguished Members of the House were called to confer with the President. I may say that we had favorably reported our bill before that conversation took place. While I have not talked with any of these gentlemen, I am informed that the chief concern of the President was that there would be such a hiatus. In that respect, we agreed with the President.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ELLENDER. Mr. President—

Mr. WILEY. I will yield in a moment. Up to the time of that message, however, we received no cooperation from the executive department in relation to giving us information.

At this time I ask that there be printed in the RECORD that portion of the report of the Committee on the Judiciary be-

ginning on page 2 and extending down to "II" on page 3.

The ACTING PRESIDENT pro tempore. Without objection, the excerpt will be printed in the RECORD.

The excerpt is as follows:

I. STUDY AND HEARING

TWOFOLD NATURE OF PROBLEM

The subject of war controls as they have been considered by the Senate Committee on the Judiciary may be divided in two categories:

(1) The most immediate problem and the subject of this report relates to the extensions proposed in the Presidential message dated January 31, 1947, requesting a 1-year extension to March 31, 1948, for titles I and V and for title III for limited purposes of the Second War Powers Act.

(2) The much broader and only slightly less immediate problem relating to all other emergency and wartime controls which (in addition to second war powers controls) come within the purview of Senate Resolution 35. This broader problem is not directly involved in this report.

HEARINGS

Pursuant to the Presidential message dated January 31, 1947, and pursuant also to the provisions of Senate Resolution 35, a subcommittee consisting of Senator WILEY, chairman, and Senator KILGORE, conducted hearings of Government witnesses on Friday, March 7, and Saturday, March 8, 1947, and further conducted hearings of nongovernmental witnesses on Tuesday, March 11, 1947.

STUDIES PRECEDING HEARINGS

Following is an approximate chronology and substantial résumé of the studies preceding the hearings:

On November 29, 1946, the present chairman of the Senate Committee on the Judiciary addressed letters to members of the Cabinet and to the Veterans' Administration stating his belief that termination of wartime and emergency controls would be high on the agenda of the committee and asking for statements of opinion from these offices as to (a) which wartime and emergency powers currently applied to his department or office, (b) which powers could be terminated and why and when, and (c) which powers could not be terminated and how long those powers should remain in force.

Replies to these letters contained or transmitted lists of laws and authorities in answer to (a). None contained complete answers to (b) and (c)—all stating in effect that information pertinent to (b) and (c) had been transmitted or would be transmitted to the President for study and correlation by Dr. John R. Steelman, assistant to the President, and the Attorney General.

By letter dated December 17, 1946, the present chairman called this situation to the attention of the President, asking that the requested information be furnished because of its importance to the formulation of recommendations to the majority conference scheduled for December 30.

By letter dated December 27 the Chief Executive replied in effect that he had directed the Cabinet officers to answer the first question (a): That a complete survey was being made; that the conclusion must be on an over-all basis; not on a departmental basis; and that information would be furnished to Congress as soon as available.

On January 8, 1947, the chairman of the Senate Committee on the Judiciary submitted Senate Document No. 5 to the Senate and introduced Senate Resolution 35 directing the standing committees to make full and complete studies of all existing temporary and permanent wartime legislation and to make recommendations to the Committee on the Judiciary not later than March 15, 1947. The

resolution was agreed to on January 29, 1947.

By letters dated January 30, 1947, attention of the various chairmen of the standing committees was directed to Senate Resolution 35 and the required studies.

By letter dated February 8, 1947, following the Presidential message to the Congress dated January 31, 1947, requesting the extension of titles I and V and title III (for limited purposes) of the Second War Powers Act, the chairman of the Senate Committee on the Judiciary again sought the cooperation of the Chief Executive and requested specifically that the President direct the various departments to present justifications for continuation of any specific wartime and emergency authorities deemed absolutely essential.

No substantial information was forthcoming, however, until Tuesday, March 4, 1947, when Mr. Harold Stein, Commissioner of War Mobilization and Reconversion, and Mr. Aaron Lewittes, counsel to Dr. John R. Steelman, and Mr. George T. Washington, Assistant Solicitor General of the Department of Justice, meeting with the chairman of the Senate Committee on the Judiciary and with representatives from the Committees on Armed Services, Banking and Currency, and Interstate and Foreign Commerce, gave assurances that Government witnesses would be available on Friday, March 7, 1947, to present evidence supporting the Presidential request of January 31, 1947.

It is felt that the chronology outlined above clearly indicates delay on the part of the executive department in supplying data and justification evidence to the committee.

In connection with committee consideration of the Second War Powers Act terminations, it should be noted that the Committee on the Judiciary has had the benefit of consultation with the three standing committees of the Senate involved in the three pertinent titles. These three committees are Armed Services, Banking and Currency, and Interstate and Foreign Commerce.

In connection with any further report from the Committee on the Judiciary with reference to all other emergency and wartime controls as studied under the terms of Senate Resolution 35, the committee will utilize the reports made by all of the standing committees of the Senate.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. ELLENDER. Do I understand correctly, that should the Senate enact the pending measure it would mean that the allocation and rationing authority would expire on the same day that the Price Control Act expires, that is, June 30?

Mr. WILEY. Yes; and also the export-import control would expire on that day.

Mr. ELLENDER. So that in the event the Senate should enact this legislation all controls over and rationing of sugar would remain in effect until at least June 30?

Mr. WILEY. The pending bill especially excepts sugar. There is a special measure before the Senate dealing with sugar. We have taken sugar out of this measure because of the conflict which otherwise would exist with respect to that subject.

Mr. ELLENDER. I see. I was not aware of such a provision. Would it not be a good idea not to exempt sugar so that in the event Congress should fail to pass sugar legislation by March 31 both the Price Control Act and the Allocation

and Rationing Act would expire on June 30?

Mr. WILEY. I might say that my personal answer to that question would be yes. But because of the conflict between the two measures now before the Senate we felt we should resolve all fields of conflict outside this particular proposed extension, so we could get this particular extension passed by the Senate, because it covers the entire field except sugar.

Mr. BARKLEY. And rubber.

Mr. WILEY. A measure relating to rubber has already been passed by the Senate.

Mr. BARKLEY. The object of this temporary extension of 3 months is to enable the Congress to consider to what extent, if at all, there should be any extension beyond June 30 of control over the items which are now under control.

Mr. WILEY. The Senator states the situation perfectly.

Mr. BARKLEY. The President, as we know, has been releasing controls over various commodities as fast as he felt was justified under the circumstances, but there are a few upon which controls must be retained for a while in order that Congress may further examine the question, and not be obliged to act separately on each one of them, as we have done with respect to rubber and are now about to do with respect to sugar. So the measure before us would give Congress a 3-month period in which to determine what shall be done hereafter with respect to all items now under control.

Mr. WILEY. That is exactly the situation existing. I thank the Senator from Kentucky.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment to Senate bill 931.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill (S. 931) was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF SUGAR CONTROLS

The Senate resumed the consideration of the resolution (S. J. Res. 58) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on the amendment of the Senator from New Hampshire [Mr. TOBEY] to the first committee amendment.

Mr. WHERRY. Mr. President, the Chair has stated that the pending question is on the amendment offered by the distinguished Senator from New Hampshire [Mr. TOBEY] to the first committee amendment. The amendment of the Senator from New Hampshire is to the committee amendment on page 2, line 20, and proposes at that point to insert a colon before the period and the following: "*And provided further, That refined sugar shall be allocated for home consumption at a rate of not less than 35 pounds per capita per calendar year, and*

any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals 50 pounds of refined sugar per capita."

Mr. President, I should like to say for the benefit of the Members of the Senate that as the Committee on Banking and Currency reported the joint resolution it did not contain the provision which the Senator from New Hampshire now proposes to insert in it. It was only after there had been considerable discussion and urging on the part of many Members of the Senate that the amount of the allocation of sugar to the housewife or to the individual be equalized, that the distinguished Senator from New Hampshire apparently then became receptive to incorporating in the joint resolution an amendment which would accomplish the purpose sought by many Senators who had asked for such equalization, by adding to the amount to be allocated to housewives, on the theory that during the past month the housewife had been discriminated against.

We were told in the beginning that it was impossible to do this because the Department did not feel that there was sufficient sugar for that purpose. At that time the Department did not know enough about the Cuban crop, it did not know exactly what the production would be, and did not know exactly what the allocations would be. But since the hearings have been held and since there has been a reexamination of the figures, which are much more encouraging, indicating, for example, an increase in Cuban production, and also the availability of nearly 600,000 tons which the Department did not count on from Cuba, if I remember correctly the figures given by the Senator from Wisconsin [Mr. MCCARTHY] a member of the subcommittee, there seems to be now a disposition on the part of the Department of Agriculture and those in charge of the legislation to agree that it is possible to do the first thing provided by the distinguished Senator from New Hampshire in his amendment, and that is to make a firm commitment of 35 pounds to the individual. I wish to compliment the distinguished Senator from New Hampshire on what he has provided in that respect, because that is exactly what the amendment I am about to offer does, except that I want to go further than the Senator does in the matter of allocation.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. REVERCOMB. I think it would be helpful to us at this time in the discussion if the able Senator were to state the amount of sugar per capita that is being received for domestic use at this time.

Mr. WHERRY. At this time the housewife is being allocated 35 pounds per annum, or rather the individual is being allocated 35 pounds per annum. That, however, is not mandatory. It is under a directive issued by the Depart-

ment of Agriculture. The amendment offered by the distinguished Senator from New Hampshire would make it mandatory that the individual should receive 35 pounds per annum.

Mr. REVERCOMB. For the sake of clarity, will the able Senator state the amount received per capita during the year 1946?

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from New Hampshire.

Mr. TOBEY. I may say to the distinguished Senator from West Virginia that for the year 1946 the housekeeper, or the individual received a total of 25 pounds, 15 pounds for each allotment across the board for any use the individual wanted to put it to, and 10 pounds which were earmarked for canning purposes, making a total of 25 pounds. But I point out, as the Senator doubtless realizes, that many individuals did not use the 10 pounds for canning purposes, but took the 10 pounds for general use.

Mr. REVERCOMB. Many individuals did not make use of the sugar for canning purposes. Did such individuals receive 15 or 25 pounds in the year 1946, that is, was each individual entitled to receive that amount?

Mr. TOBEY. The individual received 25 pounds all in all.

Mr. REVERCOMB. The proposal now before the Senate is that a guarantee be made of 10 pounds more for each individual?

Mr. TOBEY. The proposal is to guarantee 35 pounds to each individual, or a 40 percent increase.

Mr. REVERCOMB. Which would mean 10 pounds more for each individual for 1947?

Mr. TOBEY. Yes.

Mr. REVERCOMB. I thank the Senator from New Hampshire.

Mr. MCCARTHY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MCCARTHY. I believe it is generally understood that the Senator from Ohio [Mr. BRICKER] and myself, who were members of the subcommittee studying the sugar situation, at the conclusion of the hearings were firmly convinced, and still are firmly convinced, that we have more than enough sugar and that therefore sugar can immediately be decontrolled. I assume it is also understood that the question of rationing or dera- tioning has nothing whatsoever to do with the world allocation program. That would in no way interfere with that program.

However, we have been prevailed upon—at least I have been; I am not sure about my colleague from Ohio—to consider a compromise in the nature of ending allocations as of October 31 of this year, on condition that the housewife get her fair share of the sugar allotment. I took the question up with the Senator from Vermont [Mr. FLANDERS] and suggested that there be added to the joint resolution a provision giving the housewife an additional 10 pounds of sugar during the canning season. The present plan is to give her 10 pounds on July 1. I suggested to the Senator from Vermont that there was sufficient sugar

available to give her 20 pounds during that period. He has rejected that suggestion.

The Senator from New Hampshire [Mr. TOBEY] has offered an amendment which I think is completely meaningless—I shall go into that question later—and completely deceptive so far as the housewife is concerned.

Within the past 10 minutes I have received word from the Department of Agriculture that they have gone over the figures which we have been submitting, and now wish to discuss with us the possibility of agreeing to make available to the housewife during the third quarter—that is, during the canning season—a total allotment of 20 pounds of sugar, to be made available half during the first part of the third quarter and half at some other point in the third quarter.

Frankly, I feel that if we could do that, if we could add an additional 10 pounds to the canning sugar ration, personally I would have no objection to extending the controls to October 31, although I can see no reason for it.

I should like to give the figures. I shall not object to being questioned in detail as to the figures. I feel that this is entirely a question of figures. Either we have sufficient sugar to do away with rationing, or we have not. It is a matter of tons.

Originally the Department of Agriculture estimated the Cuban sugar production at 5,000,000 tons for the current year. That figure was later revised upward to five and a half million tons. The rationing program was based upon an assumed Cuban sugar production of five and a half million tons. However, we now have the final figures, and they no longer represent an estimate. As we all know, the harvesting of the Cuban sugar crop commences in January. It ends some time in May or early June. So any figures as to that production are now no longer an estimate. They represent an actual counting of noses.

There has been completed within the past few days a survey of 97 percent of the Cuban sugar producers. The new estimate of the Cuban crop is 6,137,000 tons. I should like to have Senators bear that figure in mind. We have a contract with Cuba, the contents of which seem to be not a matter of general knowledge. I have taken the trouble to go over it very thoroughly. This contract provides that we shall obtain a large percentage of the Cuban sugar crop. The Commodity Credit Corporation has purchased America's quota of the Cuban crop for 1946 and 1947. We shall get all the 1947 crop, less 350,000 short tons for local consumption, and less 300,000 tons for what is referred to as "export free." Ordinarily the 300,000 tons of "export free" sugar would go to Latin America. I am taking the figures of Mr. Marshall, who will be in charge of the sugar-rationing program if and when it is turned over to the Department of Agriculture. He tells us that this year there is a surplus of sugar in the Argentine; there is a surplus of sugar in Peru; and there is a surplus of sugar in Brazil. So it follows, as night follows day, that a part of the 300,000 tons "export free"

sugar will be available to us. But even assuming that it is not, let us see how much sugar we can get from Cuba.

Let me make a correction. I stated that we would get all of the Cuban sugar crop, less 350,000 short tons for local consumption and less 300,000 tons for what is referred to as "export free." In addition there has been allocated to foreign nations a total of 1,600,000 tons. This is, roughly, 600,000 tons more than the foreign nations got before the war, but it is made necessary because of the shortage of sugar in other producing areas. So we get all the Cuban crop except a total of 2,250,000 tons.

Coming back to our figures, the original estimate, based upon the estimates which were made at the time when we did not know how much sugar we would get from Cuba, and upon which the Department of Agriculture and the OPA planned their rationing program—and we cannot blame them for it, because that was the best estimate they had at that time—was that we would get 3,146,000 tons of sugar from Cuba. However, taking the revised figures representing the amount of available sugar in Cuba, that figure now goes up to 3,387,000 tons, which gives us an additional 741,000 tons of sugar.

Mr. Marshall takes the position that we should not decontrol. So we cannot very well question his figures when he estimates an additional tonnage. He tells us that Hawaii will give us an extra 50,000 tons over what we originally estimated. So that will give us 791,000 tons of sugar upon which we had not counted.

Mr. WHERRY. Mr. President, perhaps the Senator has already stated it, but if so, I did not hear him. How many tons of sugar would be required to provide an increase of 5 pounds for each individual in the United States?

Mr. MCCARTHY. Between 600,000 and 700,000 tons.

Mr. WHERRY. For 5 pounds?

Mr. MCCARTHY. No; for 10 pounds.

Mr. WHERRY. How much would be required for 5 pounds?

Mr. MCCARTHY. About half that amount.

Mr. WHERRY. How much is that?

Mr. MCCARTHY. Approximately 300,000 tons.

Mr. WHERRY. That is, provided they all take the sugar.

Mr. MCCARTHY. That is correct.

Mr. WHERRY. Has the Senator any idea how many persons might not take the sugar made available by such an increase?

Mr. MCCARTHY. All I can say is that the average prewar consumption of sugar—I do not refer to total consumption, but to the granulated sugar which the housewife buys—was slightly more than 50 pounds a person. Again, that figure is deceptive in that the housewife in the lower-income group, the woman with a family of four, five, six, or seven children, ordinarily does her own canning and preserving of fruit. She uses far more than 50 pounds. The housewife in the higher-income group, who does not do her own preserving of fruits and vegetables, uses much less. I could not make a guess. I know that many farm women use 100 pounds of sugar

during the canning season. My mother, who had seven children, used to get 100 pounds of sugar to put up her fruits and berries. Undoubtedly many housewives in the upper-income brackets would not take the additional 5 or 10 pounds of sugar. I hope they would know some woman on a farm or in the lower-income group to whom to give the sugar.

This one figure gives us nearly 800,000 tons of sugar. I am proposing a 10-pound increase and, I believe the Agriculture Department will go along with me. We have the figures to show that the sugar is available.

Mr. WHERRY. If there is an increase of 5 pounds per individual, or 10 pounds—

Mr. McCARTHY. Let us talk about 10 pounds.

The WHERRY. The Senator's point is that not all individuals will consume that increase.

Mr. McCARTHY. I think there is no question about it. At present some of the women in the higher income group do not use their full quota. I talked with some ladies in the Press Gallery, and they say they have plenty of sugar. They do not do their own canning and preserving. I presume that is true of one or two million families.

Let me point out this further fact in connection with the question of surplus sugar. At the beginning of this year, using round figures, we had a stock pile or inventory—call it what we may—of 1,400,000 tons of sugar. It is proposed that we ration 6,800,000 tons, based on a Cuban production of 5,500,000 tons, and that we add to our stock pile half a million tons of sugar, so that at the end of the year, instead of having a stock pile of 1,400,000 tons, we shall have built the stock pile up to 1,900,000 tons. So we have the fantastic picture of attempting during a period of scarcity to increase the stock pile by half a million tons.

Let me quote briefly from the hearings—

Mr. WHERRY. Let me propound a question to the Senator while he is looking up his reference. The Senator was a member of the subcommittee and heard the testimony. What evidence was submitted that we need an addition of 500,000 tons to the stock pile?

Mr. McCARTHY. The reasons given were varied. Mr. Marshall appeared before the subcommittee. As bearing upon the Senator's question, I propounded this question to him:

Just one further question: Mr. Marshall, in view of the world food shortage, in view of the apparently undisputed fact that unless the milk processors get more sugar there will be a great waste of food, namely, milk, would you not think it might be wise, even if you continue rationing, instead of building up the stock pile in the United States by 500,000 tons during the current year, that you take at least a part of that 500,000 tons and allocate that to the milk processors?

That is the question which I propounded to Mr. Marshall.

He did not agree to that. However, the next day Mr. Anderson said they would use part of the 500,000 tons for milk processors to prevent milk from being wasted.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. McCARTHY. Let me finish my answer first.

There were a number of excuses given. One of the gentlemen said that the reason we had to build up the stock pile was to bring it up to normal; that, regardless of whether we were in a period of scarcity or of plenty, there should be an increase in order to maintain a normal stock pile.

Another gentleman—all of them were opposing derationing or decontrol—said that unless we had a stock pile of 1,900,000 tons some hardship would be entailed in moving sugar from the west coast to the east coast. At that time the statement was made that the 1947 beet crop would not be available for consumption until 1948.

In making that statement that gentleman did not check the Department's own records.

Mr. FLANDERS. Mr. President, the Senator is getting away from the point on which I wanted to question him.

Mr. McCARTHY. I shall not yield to the Senator until I finish my answer.

I have in the pile of material before me some charts issued by the Department of Commerce in which they show that, beginning in February, Cuban sugar is not available to the refineries but is available to the consuming public on a fairly even scale from February until late in August. The charts also show that the beet crop, starting in the West and slowly rolling eastward, becomes available before the first of the year, and that the low point of availability of sugar is some time in September. I understand that the low point in consumption is after the canning season has ended.

I now yield to the Senator from Vermont.

Mr. WHERRY. I shall be glad to yield to the Senator from Vermont to ask a question of the Senator from Wisconsin.

Mr. McCARTHY. Let me apologize to the Senator from Nebraska for taking his time. I forgot that he had the floor.

Mr. FLANDERS. The Senator from Wisconsin has raised questions so fast that I am having difficulty in keeping up with him. I should like, first, to refer to the 500,000 tons which has been spoken of as being added to the stock pile of the United States this year. That is not the plan of the Department of Agriculture and the OPA. As was repeatedly stated, the Department's figure for additions to stock this year is 458,000 tons, the difference between the anticipated stock of 1,900,000 tons on January 1, 1948, and the 1,440,000 tons which existed on January 1, 1947.

This increase in stock is largely the automatic result of the large beet-sugar crop which is expected this fall. The beet-sugar crop of 1947 will begin to reach the market in late 1947. Only a small portion of this year's crop can be marketed during the last 3 months of the year.

I merely want to indicate, in regard to the first question, that there is an automatic increase due to beet sugar.

On the various points on which I am at issue with the Senator from Wisconsin, I wish to say that we cannot deal caval-

ierly with the question of sugar stocks. Figures regarding the Cuban crop, the receipts, the amounts—

Mr. McCARTHY. Mr. President, I sat here for 4 hours yesterday while the Senator from New Hampshire [Mr. TOBEY] and the Senator from Vermont [Mr. FLANDERS] held the floor on this subject. I do not object to being asked questions, but I do not think the Senator should make a speech at this time. I do not mind being questioned thoroughly on anything I say, but I would prefer that the Senator not make a speech until I have concluded.

Mr. FLANDERS. I was under the impression, after listening to the speech of the Senator from Wisconsin, that he was not present during the remarks made yesterday.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. DONNELL. Who has the floor?

The PRESIDENT pro tempore. The Senator from Nebraska [Mr. WHERRY] has the floor.

Mr. DONNELL. So I understood.

Mr. TOBEY. Mr. President—

Mr. WHERRY. I yield to the Senator from New Hampshire in order that he may ask a question.

Mr. TOBEY. Did I correctly understand the Senator in the course of his remarks to make the statement that he had talked with representatives of the Department of Agriculture and that they had agreed that ten additional pounds of sugar could be allotted to housewives?

Mr. McCARTHY. The assistant to the Senator from Nebraska [Mr. WHERRY] stated that the gentlemen from the Agricultural Department wanted to discuss this matter with us and talk about the possibility of allocating 20 pounds instead of 10 pounds during the third quarter, which is the canning season, on the basis of giving part of it at the beginning of the period and part later during that period.

Mr. TOBEY. Was it the understanding of the Senator from Wisconsin with reference to increasing the allotment for the calendar year from 35 pounds to 45 pounds, or did he mean merely to speed up and give 10 pounds of the 35 pounds to housewives to be used at canning time, continuing the total allotment at 35 pounds?

Mr. McCARTHY. In view of the fact that I feel confident that sugar rationing will not be extended beyond October 31, I frankly do not care what anyone has in mind for any period beyond October 31.

Mr. TOBEY. No; but let me point out that a few minutes ago the Senator stated, as I think the RECORD will show, that he talked to the Department of Agriculture and they advised him that they could give 10 pounds more sugar this year.

Mr. McCARTHY. Mr. President, the gentleman from the Department will be here shortly.

Mr. TOBEY. That is not the question. I ask the Senator whether he said that or whether he did not say it?

Mr. McCARTHY. Mr. President, I ask the Senator to let me finish.

Mr. TOBEY. Mr. President, the Senator from Wisconsin is not answering the question. He is dodging it.

Mr. McCARTHY. Mr. President, I ask the Senator to let me finish. The gentleman from the Department will be here shortly. What I have stated is the word I have received; namely, that they can give the 20 pounds which I mentioned. I shall be glad to have the Senator from New Hampshire sit down with us when the gentleman comes, and I shall be glad to ask him a further question.

Mr. TOBEY. Mr. President, I ask the Senator to wait a moment. He talks too fast.

Mr. McCARTHY. Mr. President, if the Department of Agriculture does agree with me on my findings that we can give the housewife an additional 10 pounds of sugar during the canning season, then I ask whether the Senator from New Hampshire will go along with that idea, or will he still insist that the industrial user get it?

Mr. TOBEY. Mr. President, I will answer the Senator's statement now and forthrightly; here the answer comes: The Department of Agriculture's announced position was misrepresented by the Senator from Wisconsin today. Here is the answer which came from Secretary Anderson just 3 minutes ago, over the telephone, to me:

I authorize you to state that I have not, at any time, made a statement that we can give more sugar for home consumption now.

What I did tell Senator McCARTHY was simply that we were happy that we could now allot 10 pounds per person for home consumption over and above what we gave them last year.

I stand unqualifiedly behind the 35 pounds, and there is no more sugar available for home consumption. But I support your amendment that if any more does come across the horizon, we will allocate it to the housewives.

That is Secretary Anderson's statement, and it refutes the statement which has been made by the Senator from Wisconsin.

Mr. McCARTHY. Then, Mr. President, let me say that in view of the unquestioned figures, I do not give a tinker's dam what Secretary Anderson says about the matter. The sugar is here.

Mr. TOBEY. But he has said the sugar is not available. That is his own statement. Yet the Senator from Wisconsin, putting himself in a higher orbit, above Secretary Anderson, the Secretary of Agriculture, says the sugar is available. On a question of veracity, I would not choose between the two gentlemen, but on a question of fact, I take the Secretary of Agriculture any time.

Mr. McCARTHY. Mr. President, do I still have the floor.

The PRESIDENT pro tempore. The Senator from Nebraska has the floor.

Mr. WHERRY. Mr. President, I am glad to yield to the Senator for an observation.

Mr. McCARTHY. I wish to point out to the Senator from New Hampshire that we sat through more than 2 weeks of hearings on this question. We heard all

the available evidence. Mr. Anderson was not there.

Mr. DONNELL. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. DONNELL. I desire to state that as I understand the rule, a Senator who has the floor cannot yield save for questions. I now make the point of order that the recent debate has gone entirely too far, and that the Senator from Nebraska can yield only for a question.

The PRESIDENT pro tempore. The Senator from Missouri is entirely correct in his interpretation of the rule. Under the latitude of debate, it is the practice of the Senate to permit substantial interruptions, but at any time a Senator wishes to call for the enforcement of the rule he is entitled to do so. The Chair is forced to rule that the Senator from Nebraska can yield only for a question.

Mr. WHERRY. Mr. President, I shall be glad to yield to the Senator from Wisconsin for a question.

Mr. McCARTHY. Mr. President, let me point out that I may be rather long-winded in answering the question, but I am answering it. If there is objection to this procedure, I should like to request the Senator from Nebraska to yield the floor to me.

The PRESIDENT pro tempore. The Senator from Nebraska has the floor.

Mr. McCARTHY. Let me say to the Senator that in view of the fact that I have spent a great deal of time on this matter, I shall get all the figures at my fingertips. If the Senator from Missouri [Mr. DONNELL] objects to having me take the floor in this manner, I should like to suggest, respectfully, that the Senator from Nebraska yield the floor to me.

Mr. WHERRY. Mr. President, I shall be glad to yield the floor when I conclude my statement. I cannot yield the floor at this time to the Senator from Wisconsin unless he is recognized. However, he can get the floor in his own right when I have concluded my statement.

The PRESIDENT pro tempore. The Senator from Nebraska is recognized for the moment.

Mr. WHERRY. Mr. President, I should like to continue and conclude my statement relative to the amendment which I hope to offer in the event the amendment now being considered, which has been offered by the distinguished Senator from New Hampshire [Mr. TOBEY], is defeated.

Let me explain the present parliamentary situation. The amendment which the distinguished Senator from New Hampshire has offered is an amendment in the second degree. It is impossible for a Senator to offer another amendment changing any of the provisions of his amendment, under those circumstances. Another amendment—one requiring the allotment of more pounds or requiring more firm commitments—can be made only if the amendment which has been offered by the Senator from New Hampshire is rejected.

I have been endeavoring to point out the difference between his amendment and the one which I propose to offer if his amendment is defeated. I hope it will be defeated; but I have tried to say as kindly as possible that in the first part of his amendment he is attempting in principle to do what I am attempting to do, but his amendment does not go as far as mine does. In other words, the distinguished Senator from New Hampshire [Mr. TOBEY] the chairman of the Banking and Currency Committee, who is speaking here for the Department of Agriculture, because he is receiving letters and telephone calls from the Department—

Mr. TOBEY. Mr. President, the Department of Agriculture is not my tutelary deity; but after all, the witnesses from the Department of Agriculture are the principal witnesses, and I am taking the position that they can be depended upon to tell the truth.

Mr. WHERRY. Mr. President, I am not taking exception to the Senator's statement. But after consulting with the Department of Agriculture, as is evidenced by the letters which have been read into the RECORD and the observations which the Senator has made, based upon telephone calls—one of them made only 3 minutes ago—there seems to be considerable confusion in the Department of Agriculture and the Committee on Banking and Currency as to what can be done in the way of a firm commitment.

Mr. TOBEY. Mr. President, will the Senator yield there?

Mr. WHERRY. I ask the Senator to wait a moment.

Mr. President, further evidence is presented to us by the fact that when the bill was reported by the Banking and Currency Committee, it did not provide for the firm commitment which now is proposed by the amendment of the distinguished Senator from New Hampshire, chairman of the Banking and Currency Committee, namely a commitment for 35 pounds. So in the last 3 or 4 days we have pried loose, apparently, an available sugar supply, as to which the Secretary of Agriculture now has advised us that we can give the housewife or the individual 35 pounds, although that was not provided for when the bill came from the Committee on Banking and Currency.

Mr. McCARTHY. Mr. President, will the Senator yield to me?

Mr. WHERRY. I yield first to the distinguished Senator from New Hampshire, who first requested that I yield.

Mr. TOBEY. I thank the Senator for his courtesy.

Mr. President, the distinction the Senator from Nebraska has made is a distinction without a difference. The point I affirm is that when the bill came from the Committee on Banking and Currency, as both the hearings and all the evidence will show, the intention was to give the 35 pounds. But I am one of those who like to have things ironclad, so I simply provided that the 35-pound allotment should be mandatory, that it

should be a mandatory feature of the bill, instead of simply being based on the assurance of the Department. That is all.

Mr. WHERRY. Yes; and we are not in disagreement as to that.

Mr. TOBEY. No; not at all.

Mr. WHERRY. Let me state it in one sentence. What the Senator's amendment does. His amendment now provides that for the individual, the firm commitment per annum will be 35 pounds. He also provides in his amendment that if there is any increase above the allocation allotted to the International Board—the I. E. C.—which amounts to 6,800,000 tons, the housewives shall have priority use to 50 pounds a person.

Mr. TOBEY. That is correct—which is the amount they had before the war.

Mr. WHERRY. Yes. I think that is the amendment, fairly stated.

The amendment I intend to offer came about after a conference we had with the distinguished Senator from New Hampshire and the other members of the Banking and Currency Committee who submitted the majority report, as well as with the members of the committee who submitted minority views. The first commitment was simply that if there was an increase in the sugar supply, 35 pounds would be given. This amendment provides for a commitment of 35 pounds, for which we are hopeful.

The amendment I shall offer, if the amendment of the Senator from New Hampshire is defeated, provides for 40 pounds a person for the current year. That is an addition of 5 pounds per capita.

To be perfectly frank about it, there is no dispute that that will require approximately 375,000 tons, if all the individuals ask for the additional sugar that is allocated. However, that does not mean that the entire 375,000 tons will be used, because not all of them might ask for that much sugar, as has been ably explained by the distinguished Senator from Wisconsin; and I think all of us will agree to that.

Mr. REVERCOMB rose.

Mr. WHERRY. I am glad to yield to the Senator from West Virginia.

Mr. REVERCOMB. If 375,000 tons, approximately, is required in order to provide for the additional 5 pounds per capita, let me ask the Senator what is to be done with the additional 700,000 tons which it has been discovered will be added to the sugar supply, but which was not known, as I understand, when the bill was reported by the committee?

Mr. WHERRY. Mr. President, I shall answer that question in the remarks I am about to make. My amendment has to do with that matter.

Mr. REVERCOMB. As I understand from the figures given by the Senator from Wisconsin [Mr. McCARTHY] in his very able discussion showing a splendid knowledge of this subject and deep study of it, it has been discovered that we may receive an additional seven-hundred-thousand-odd tons of sugar which we did not know we would receive when the original bill came to the floor of the Senate. Is that correct?

Mr. WHERRY. That is the statement made by the Senator from Wisconsin [Mr. McCARTHY], and as a member of the subcommittee he had the evidence, and the figures as he interpreted them warrant that statement. That is not my statement. I am not familiar with the figures he presented.

Mr. REVERCOMB. The Senator from Nebraska says he wants to add 5 pounds, which will take up only three-hundred-and-some-odd thousand of the seven-hundred-thousand-odd. The question is, What is to be done with the remainder of the tonnage?

Mr. WHERRY. In answer to the question of the distinguished Senator, which is a very fair one, the last paragraph of the amendment I propose to offer, if the amendment of the distinguished Senator from New Hampshire shall be defeated, provides:

In the event the quantity allocated to non-provisional industrial users during the portion of the period from April 1, 1947, until the expiration of the allocation authority is increased above the base allocation of such users, the quantity herein required to be allocated for home consumption during such portion of such period shall be appropriately increased.

That is, the difference between what the firm commitment is and any increased quantity of sugar which may become available will be allocated proportionately to the housewives and the industrial users.

Mr. FERGUSON. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield.

Mr. FERGUSON. In other words, the Senator provides a firm commitment, and then he adopts the amendment of the Senator from New Hampshire?

Mr. WHERRY. No, Mr. President, that is not my amendment. My amendment provides that if any allocations are made from any source of supply above that now estimated they must be made on a proportionate basis between the housewives and the industrial users.

Mr. FERGUSON. I thank the Senator. I see the distinction.

Mr. LANGER. It would be in proportion?

Mr. WHERRY. If industry or any segment of industry is given an increase of, say, 5 percent, the same proportionate percentage of increase would have to be given to the housewife.

Mr. FERGUSON. What are we going to do about the fact that industry in the past has had 10 percent more than the housewife? Is it not time that at least this year, when the cost of living is high, the housewife should be permitted to have an increase? That is why I am in favor of the amendment of the Senator from Nebraska; but if we cannot obtain the amendment of the Senator from New Hampshire, I shall support the amendment of the Senator from New Hampshire. I think, however, that the proposal of the Senator from Nebraska is better from the standpoint of assuring additional sugar to the housewife for the coming year.

Mr. WHERRY. I thank the distinguished Senator for the observation.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WHERRY. The Senator from North Dakota was questioning me.

Mr. LANGER. I wanted to know if the proportionate division would come after the 10 percent.

Mr. WHERRY. Oh, yes; that is in addition to the firm commitment that has been made of the 35 pounds. If this amendment shall be agreed to, it would be above the 40 pounds.

Mr. TOBEY. Mr. President, if the Senator from Nebraska will yield; I did not catch the suggestion of the Senator from Michigan.

Mr. FERGUSON. What I have in mind is that if the amendment of the Senator from Nebraska cannot be adopted, I naturally favor the amendment of the Senator from New Hampshire. The only reason why I voted to table the amendment of the Senator from New Hampshire yesterday was in order that the amendment of the Senator from Nebraska might be voted upon. My reason for the statement I made is that in the past, as the information comes to me, industry has received 10 percent more sugar, in proportion, than the housewife has received, and from what I learn from housewives, and others who do canning, when the cost of living is so high, they need the sugar. The time has come, in my opinion—it has been in the past, for that matter—when the housewife should be able to obtain sugar at least on an equal basis with industry, or, in proportion, more than industry, when we consider that some of the industries' use is certainly for the production of luxuries, compared with the actual use to which the housewife puts the sugar.

Mr. TOBEY. It seems to me the Senator is very much in favor of my amendment, without realizing it.

Mr. FERGUSON. I am in favor of the Senator's amendment providing we cannot get the amendment of the Senator from Nebraska.

Mr. TOBEY. The Senator from Nebraska would give 5 pounds more, making it mandatory, making it 40 instead of 35.

Mr. WHERRY. That is correct.

Mr. TOBEY. My amendment is inclusive. If the sugar is not available, the Department cannot allot 5 pounds more, and they have said they cannot. Secretary Anderson said this morning they cannot. I point out the fact that my amendment makes it mandatory that if there appears on the horizon an increase in the allocation recommended by the international organization it is to be prorated among the housewives of the country, whether it be 5 pounds or 15 pounds. The ceiling is 50 pounds.

Mr. FERGUSON. If it were not for the word "if" in the amendment, there would not be so much difficulty. The Senator from Nebraska wants to give an additional amount to the housewife.

Mr. TOBEY. He wants to give it even though it is not available.

Mr. FERGUSON. He wants to take it away from the so-called industrial users, which I think should be done.

Mr. WHERRY. Mr. President, I am glad to yield for any question, but at least I should like to interpret my own

amendment, and not have it misinterpreted.

Mr. TOBEY. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. The Chair reminds the Senator that the Chair is under the compulsion of enforcing the rule strictly. Does the Senator yield to the Senator from New Hampshire?

Mr. WHERRY. I am glad to yield.

Mr. TOBEY. My question is addressed to the two Senators jointly. Do the Senators from Michigan and Nebraska realize that there is in this country today a far larger number of businessmen engaged in businesses using sugar than we ever had before the war? Eight thousand veterans have come back and gone into industries which require the use of sugar, which has increased the commercial uses, and the spread between the industrial users and housewives varies around 50 as a median point, a little above 50 and a little below 50 at the present time. That allocation has been gone over most carefully. I wonder whether the Senators realize that that is the Department's position.

Mr. McCARTHY. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I am glad to yield to the Senator from Wisconsin.

Mr. McCARTHY. I wish to read very briefly from the evidence taken at the hearings on the question being covered by the Senator from New Hampshire and the Senator from Nebraska. I was questioning Mr. Overman, who represented, according to his own testimony, a tremendous number of industrial users. I read:

Senator McCARTHY. On further question: You recognize, of course, the fact that the average farm wife, as well as many other housewives, are processors of food?

You realize that women in the small towns and farming areas do their own canning, they put up their own jellies and preserves, you know that, do you not?

Mr. OVERMAN. That is right.

Senator McCARTHY. When you allot such a woman 35 pounds of sugar, do you realize that is far below the 80 percent which it is proposed your industry be allowed? There is no question about that, is there?

Mr. OVERMAN. That is true.

Let me reread that question and answer by the man who is here representing the industrial user:

Senator McCARTHY. When you allot such a woman 25 pounds of sugar, do you realize that is far below the 80 percent which it is proposed your industry be allowed? There is no question about that, is there?

Mr. OVERMAN. That is true.

Senator McCARTHY. Would you recommend that we reduce your 80 percent sizably and try to level off this situation and give the housewife some more?

Mr. OVERMAN. I would hesitate to recommend that, certainly.

Senator McCARTHY. In other words, you say that we have been unfair to the housewife who cans her own food, but, representing bottling works as you do, you would recommend against trying to alleviate that condition?

Mr. OVERMAN. For the moment I would, sir.

Senator McCARTHY. In other words, you say that you have the sugar, she is not being treated fairly. "As long as we have got it, let us keep it," that is your answer?

Mr. OVERMAN. It is not. To tell the truth, if historical rationing had followed through as intended, from the start, I think we would

have had a much different picture, and you would not have had this criticism of all industry because they have gotten a little additional perhaps over the housewife.

In other words, historical rationing, as I understand it, was based upon what the public asked for prior to the war, what the public had set up as its pattern of purchases.

If it was in soft drinks, it meant a certain pattern of the brands they liked—or in jellies, jams, and preserves.

I had set its pattern of what it wanted.

A historical pattern of what the public preferred had been set up, and I think the OPA and the rules made a definite effort to reflect that pattern.

However, there have been pressures, and the soft-drink industries certainly have not profited by that.

They are perhaps one of the few who have been held to the 50, 60, and 70 percent, with very little opportunity of using substitute sweeteners and with certainly no history of having increased their business by 400 percent during the time when this rationing was in effect, so if there is any complaint from the housewife it certainly does not come from the—it should not be laid down at the door of the soft-drink industry.

Senator McCARTHY. You understand you are in a rather peculiar position. You admit that while it is proposed that your particular industry gets 80 percent of its normal sugar consumption, that the housewife is presently getting far below that percentage.

I then asked you a question. I said: "Would you recommend that in view of this unfairness, that we try to at least bring things into balance by reducing the amount of sugar which your bottling companies and confectioners get and increasing the amount of sugar that the housewife who processes fruits and berries gets?" Your answer to that, I gather, is "No"; you think we should continue this unfairness.

At that point the Senator from Vermont [Mr. FLANDERS] came to the rescue of the man who was representing the industrial users, and would not allow him to answer the question.

Mr. FLANDERS. Mr. President, will the Senator yield? I rise to a question of personal privilege.

The PRESIDENT pro tempore. The Senator will state his question of privilege.

Mr. FLANDERS. Instead of making that statement, may I ask the Senator if he will read from the RECORD?

Mr. McCARTHY. I shall be glad to do so. I quote:

Senator FLANDERS. If I were in Mr. Overman's position across the table, I think I would suggest that the extra sugar be taken from the processors and jams and preserves rather than from myself.

I made exactly that suggestion to the Senator from Vermont, and he said, "No, we will not do it; we are going to introduce some type of fictitious amendment which in effect will do nothing more nor less than deceive the housewife"—

Mr. FLANDERS. Mr. President, I rise to a point of order.

Mr. McCARTHY. And the Tobey amendment—

Mr. TOBEY. Mr. President, that is a personal challenge, and I demand an opportunity to answer it.

The PRESIDENT pro tempore. The Senator from Nebraska has the floor.

Mr. TOBEY. I rise to a question of personal privilege. The Senator made a charge against me of offering a fictitious amendment. I want to answer it.

The PRESIDENT pro tempore. The Senator from New Hampshire will have to ask the Senator from Nebraska to yield.

Mr. TOBEY. I ask to be heard on a matter of personal privilege.

The PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that the Senator from New Hampshire is required to request the Senator from Nebraska to yield.

Mr. TOBEY. I ask that the Senator yield.

Mr. WHERRY. I yield.

Mr. TOBEY. I heard the statement by the Senator from Wisconsin. My hearing is fairly good. The Senator just said, "The Senator from Vermont said, 'We are going to introduce a fictitious amendment to cover this matter.'" He charged that my amendment is deceptive and fictitious. I take exception to his derogatory remarks. The Senator's statement, I submit, far contravenes the truth, to put it plainly. I want to go a little further and say that this amendment was not offered as a fictitious amendment, but as an honest-to-God amendment—as sincerely as any thing the Senator from Wisconsin ever wanted to do. I stand here and defend a fellow Senator. To call it fictitious is not a fair commentary on the Senator's action.

Mr. McCARTHY. Mr. President—

Mr. TOBEY. I am not quite through yet, sir. I point out that the Senator is confusing the Senate of the United States by a heterogeneous mass of figures, which will not stand test of accuracy, and will be taken care of a little bit later by the Senator from Vermont and the Senator from New Hampshire with interest.

Mr. McCARTHY. Mr. President, will the Senator from Nebraska yield, so that I may answer the Senator from New Hampshire?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Wisconsin?

Mr. WHERRY. I shall be glad to yield so that the Senator from Wisconsin may reply to the Senator from New Hampshire.

Mr. McCARTHY. In answer, Mr. President, I might say that anyone who sat through the sugar hearings, who heard Mr. Dice testify, who knows that if the Department of Agriculture takes over the rationing of sugar, Mr. Dice, who was only temporarily loaned to OPA, will return to the Department and will still be in charge, must realize that the Senator's amendment will mean absolutely nothing, except that it will mislead the American public. I can find in the record two or three or four cases—I shall be glad to point them out to the Senator—where the industrial users repeatedly referred to Mr. Dice as "our friend, Mr. Dice."

The PRESIDENT pro tempore. Under the point of order made by the Senator from Missouri, the Chair is forced to say again to the Senator from Nebraska that he can yield only for a question, or he will lose the floor.

Mr. WHERRY. Mr. President, returning to the statement that I was making on the amendment which I desire to offer, in the event the amendment of the distinguished Senator from New

Hampshire is rejected, as I hope that it will be, I should like to call the attention of the Senate to the provisions of my amendment so that the Senate will have the information, and so that when the amendment offered by the Senator from New Hampshire is voted upon, the Senators can make up their minds whether they care to support his amendment or the one I expect to propose.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MARTIN. I should like to ask unanimous consent that I be excused for the remainder of the afternoon, to attend to some other very important business.

The PRESIDENT pro tempore. Without objection, the consent is granted.

Mr. WHERRY. Mr. President, as I said a moment ago, as I analyze the amendment offered by the distinguished Senator from New Hampshire, it now proposes to give a firm commitment of 35 pounds to the individual consumer; and, certainly, if there is an increase above the 6,800,000-ton figure, then the Senator proposes to give a priority to the housewife up to 50 pounds.

Mr. President, in the amendment that I shall offer I propose to give the individual 40 pounds of sugar. Regardless of whether there is an increase in the supply, the 40-pound provision of the amendment runs straight across the board.

One of the reasons why I think individual consumers are entitled to it is made plain in the very forceful argument made by the distinguished Senator from Michigan that it has been admitted in the hearings by the industrial users of sugar that there has been a discrimination in the percentage the housewife has had compared with industrial users.

Mr. McCARTHY. Mr. President, will the Senator yield for a question?

Mr. WHERRY. I am glad to yield for a question.

Mr. McCARTHY. The Senator has an amendment which has been printed, and which is lying on the table. He has another amendment on his desk, which contains certain language suggested by myself. I am very curious to know which amendment the Senator proposes to offer if and when the amendment proposed by the Senator from New Hampshire is defeated.

Mr. WHERRY. Mr. President, I shall not read it, but I send the amendment to the desk and ask that the clerk read it for the information of the Senate.

The PRESIDENT pro tempore. Without objection, the clerk will read the amendment for the information of the Senate.

The CHIEF CLERK. Before the period on page 2, line 20, it is proposed to insert a colon, and the following: "*And provided further, That in exercising the authority extended by this act, the Secretary of Agriculture shall allocate, and permit the purchase of, refined sugar for home consumption at a rate of not less than 40 pounds per person per year; providing further that having in mind the need for sugar for home-canning purposes not less than 15 pounds per person shall be*

made available for home consumption during the third quarter of 1947. In the event the quantity allocated to nonprovisional industrial users during any portion of the period from April 1, 1947, until the expiration of the allocation authority is increased above the allocation of such users, the quantity herein required to be allocated for home consumption during such portion of such period shall be proportionately increased."

Mr. WHERRY. Mr. President, the amendment really can be explained very simply. There are three provisions. One is that the housewife gets 40 pounds. It is possible to cite a vast array of figures. I want to say that while there seems to be considerable disagreement among some of the distinguished members of the Committee on Banking and Currency, I compliment the work of the subcommittee, including the distinguished Senator from Vermont, the chairman of the subcommittee, and those who helped him, the Senator from Wisconsin, and the Senator from Ohio; and I also commend the leadership of the chairman of the Committee on Banking and Currency in this sugar problem. It is an acute problem, and it is a difficult one to settle. All of us have our respective opinions about what should or should not be done, but it is my humble opinion, after listening to the testimony and after learning about the discriminations which the housewife has experienced in the past, that the time has come when we ought to eliminate that discrimination, we ought to try to make some retribution for it. As a compromise, I think that giving them five additional pounds over this firm commitment can be reached, if we try it. I do not take exception to the remarks of the distinguished Senator from New Hampshire, the chairman of the Committee on Banking and Currency; neither do I dispute the letter written by the Secretary of Agriculture.

I should like to say for the RECORD that I have much confidence in, and I highly respect, Clinton P. Anderson, the Secretary of Agriculture. No one was more helpful to me when I was gathering statistics relating to the meat situation during the Seventy-ninth Congress than was the distinguished Secretary of Agriculture, and I appreciate what he did. I respect his point of view. He takes the position that any other administrator would take. The final figure for the sugar still depends upon the weather in Cuba. There are certain things about which the Secretary might be apprehensive. His position at this time is that possibly there might be some doubt respecting the size of the sugar crop. He has not given me a clearance that we should provide 40 pounds, and I wish so to state now to the Senate. But his Department has led me to believe that there will be the expected increase in the sugar crop. The figure given by the distinguished Senator from Wisconsin in respect to stock piling 500,000 additional tons certainly should have our careful consideration.

Mr. President, the fact that the chairman of the Committee on Banking and Currency has offered an amendment which would make a firm commitment of 35 pounds convinces me that there is

ground for optimism with respect to the increased sugar production in Cuba, and that we may expect an increase not only from Cuba but from other countries of the world. My amendment, however, provides that the individual consumer shall be allotted 40 pounds of sugar. I think that can be done. If the feeling prevails that 35 pounds can be allotted to each individual, I think it can be increased to 40 pounds. That would represent an increase of only 375,000 tons.

Mr. President, in considering the various figures we are assuming that each individual would avail himself of the amount allotted. The Department of Commerce estimates that only 30,000,000 individuals will use their full allotments. So it cannot be said with certainty that an allotment of 40 pounds to each individual will require an addition of 375,000 tons. Only if every last citizen of the United States asks for the proposed additional sugar allotment will 375,000 tons additional be required.

Mr. President, I think we are a little bit too apprehensive respecting the existing situation. I think some extravagant statements have been made here as to what can or what cannot be done. I think the Department of Agriculture can shoot at the figure of 40 pounds for each individual without creating as much disturbance as has been indicated might result. Such things have been done in connection with other commodities, and I am satisfied they can be done with respect to sugar.

I doubt if anyone, even the Secretary of Agriculture, can state with authority that there can or cannot be an increase to 40 pounds for each individual. What can be done is to make use of all the available statistics, and make an estimate on that basis. But between now and the time the housewives receive the proposed allotment of 40 pounds, it may be that 50 pounds instead of 40 will be available.

I believe, on the basis of the crop reports and the statistics furnished by the distinguished Senator from Wisconsin that we can pick up the additional sugar needed to provide 40 pounds for each individual, without jeopardizing to any great extent the distribution of sugar throughout the United States. In fact I have been told that a fairer estimate would be that there will be an additional 100,000 tons available above the amount heretofore suggested. But once again I say I cannot give any authority for such an estimate. I suppose the Secretary of Agriculture is as high an authority as we can avail ourselves of. But like all administrators, he surely does not want to make a commitment which he himself probably feels cannot be fulfilled by reason of weather conditions or for other reasons.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield for a question.

Mr. TOBEY. The Senator from Nebraska spoke about someone having told him that there would probably be 100,000 tons of sugar additional coming along over and above other figures which have been suggested.

Mr. WHERRY. I should like to correct that statement. What I meant to

say was that 100,000 tons additional might be required if an allotment of 40 pounds to each individual were made.

Mr. TOBEY. My purpose in rising was to call the attention of the Senate to the fact that should the mythical 100,000 tons additional which may be needed appear on the horizon and in fact become available, under the Tobey amendment that amount would go to the housewife. Would it not?

Mr. WHERRY. I feel that the amendment does provide that it should go to the housewife.

Mr. TOBEY. Under my amendment it would be mandatory, would it not?

Mr. WHERRY. If the amount is rationed.

Mr. TOBEY. It is mandatory, is it not?

Mr. WHERRY. I shall come to that point in a moment when I discuss the provisions of the Senator's amendment and compare his proposal for increase with my proposal.

The second part of my amendment has not been touched upon to any great length up to this time. During the first quarter of this year there was an allocation of 5 pounds of sugar to each individual, that is for the months of January, February, and March. In the second quarter an allocation of 10 pounds of sugar is made, for the months of April, May, and June. My amendment provides that for the third quarter of this year there shall be allotted for the use of the individual, or I might say the housewife, because the third quarter is the canning season, 15 pounds of sugar. That is a firm commitment which is not contained in the Senator's amendment. I feel that if there is any time of the year when this proposed increase is needed, it is during the canning season. So I ask that an additional 5 pounds of sugar, as provided in my amendment, be allocated during the third quarter. My amendment does not disturb the situation in the first quarter or in the second quarter, but it provides that in the third quarter, that is during the months of August and September, a total of 15 pounds of sugar shall be allotted to each individual.

My reason for proposing an allotment of 15 pounds during the third quarter is obvious, and does not require any lengthy explanation. My proposal is simply that an additional 5 pounds shall be given the individual, or the housewife, during the time of year when it is most needed, which is during the canning season.

Mr. President, I have received hundreds of letters telling of food spoilage, or fruit that has been lost simply because there was not sufficient sugar to preserve it. We are paying out millions of dollars to provide floors for agricultural products, but on the other hand, we permit vegetables and fruit to go to waste, to be dumped into the sewers, because sufficient sugar is not allotted for preserving purposes. It is nonsense to have floors under agricultural production, and to encourage the fruit and vegetable producers to greater production, and then deny sugar to preserve the increased production. So the least we can do, if it is possible, is to provide 5 pounds more

sugar to each individual during the third quarter, the canning season.

I should like to say for the benefit of the distinguished Senator from Wisconsin that I, too, have been in telephonic conference with the Department of Agriculture almost as constantly as has the distinguished Senator from New Hampshire, and I have asked the Secretary this question over and over again: Can you not work out a provision for 5 more pounds, or a total of 45 pounds for each individual? I have asked him if he could not find a way to provide 20 pounds for each individual during the canning season. I wish to verify what the Senator from Wisconsin has said that now there is an effort to find out if it will not be possible to allocate 20 pounds during the canning season.

Mr. President, I do not want to have the Senate enact legislation providing an arbitrary, mandatory program impossible of being carried out, but I am willing to vote for a proposal which will give to each housewife every pound of sugar which can be given her during the canning season. I think it is smart to give the housewife as much sugar as possible during that time. There is a need for preserving the food which is produced. I think we should preserve every pound of food we can preserve.

Mr. President, in that respect my amendment is different from the amendment of the Senator from New Hampshire. I beg of Senators that they will give it their earnest consideration.

A suggestion has been made by the Department of Agriculture that they ration the 10 pounds up to a certain date, and then if they could provide 15 pounds thereafter set the allotment of 15 pounds ahead, perhaps to the last week in July. I do not know whether that will be worked out or not, but regardless of whether it is worked out, when the time comes I shall offer the amendment I have suggested, that 15 pounds, an addition of 5 pounds over the 10 pounds, be allotted to the housewife in the canning season. I do not see why anyone should object to it. Certainly, if the housewives are to get the sugar, that is the time of the year they must have it.

Reference is made to stock piles. It is all very well to have stock piles, and it is all very well to increase the stock piles, if it is the opinion of the Secretary that they should be increased. But I think it is just as important, increased stock piles or no increased stock piles, to try to take care of food that is produced, and preserve it, if we are to have floors under production.

The third difference between my amendment and the amendment of the distinguished Senator from New Hampshire [Mr. TOBEY] is relative to the allocation in the event there is an increase. Under the terms of the Senator's amendment, there must be an increase above 6,800,000 tons before the housewife gets any increase. I am sure that is correct. At least that is my interpretation. So until we reach the figure of 6,800,000 tons, the housewife gets no more than 35 pounds.

My amendment provides that regardless of the 6,800,000 tons, if there is any additional allocation of sugar to in-

dustrial users, whether there be an increase or not, the allocation shall be made proportionately in the same percentage of allocation as between industry and the housewife in the future. I think that is sound. I think there should be no further discrimination. The meaning of my amendment in that respect is entirely different from that of the amendment of the distinguished Senator from New Hampshire. My amendment provides that if any additional allocation is made, in addition to the firm commitment, whether there be an increase above 6,800,000 tons or not, the allocation shall be made on a percentage basis, allowing a proportional increase to the housewife.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. TOBEY. As I understand the Senator's amendment, as he has explained it, when, as, and if an increase occurs, it will be allocated proportionately as between homemakers and commercial users.

Mr. WHERRY. In the percentage in which commitments are now made to industry and to the housewife.

Mr. TOBEY. The distinction between the Senator's thought and the thought expressed in my amendment is that in the case of my amendment the homemakers would get it all.

Mr. WHERRY. The distinction is that an increased allocation might be made whether there was an increase above 6,800,000 tons or not. In the past we have not had sugar for new users, or for hardship cases. The percentage of increase has been greater in some directions than in others. That is the reason why the housewife has been discriminated against to the extent of 10 percent. My amendment would take care of any increased allotment. The Senator's amendment provides a priority to the housewife provided there is an increase beyond 6,800,000 tons. I want it provided in the law that if there is any increased allocation of sugar, whether or not there is an increase beyond the 6,800,000 tons, it must be made proportionately, in the same percentage to the housewife as to any industrial user.

Mr. WATKINS. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum? I think this subject is important enough so that Senators should hear the discussion.

Mr. WHERRY. I yield for that purpose.

Mr. WATKINS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Capper	Green
Baldwin	Chavez	Gurney
Ball	Connally	Hatch
Barkley	Cooper	Hawkes
Brewster	Cordon	Hayden
Bricker	Donnell	Hickenlooper
Bridges	Dworshak	Hill
Brooks	Eaton	Hoey
Buck	Ellender	Holland
Butler	Ferguson	Ives
Byrd	Flanders	Jenner
Cain	Fulbright	Johnson, Colo.
Capehart	George	Johnston, S. C.

Kem	Moore	Stewart
Knowland	Murray	Taft
Langer	Myers	Taylor
Lodge	O'Connor	Thomas, Okla.
Lucas	O'Daniel	Thomas, Utah
McCarran	O'Mahoney	Thye
McCarthy	Overton	Tobey
McClellan	Pepper	Umstead
McFarland	Reed	Vandenberg
McGrath	Revercomb	Watkins
McKellar	Robertson, Va.	Wherry
McMahon	Russell	Wiley
Martin	Saltonstall	Williams
Maybank	Smith	Wilson
Millikin	Sparkman	Young

Mr. WHERRY. I announce that the Senator from Oregon [Mr. MORSE] is absent by leave of the Senate.

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness.

The Senator from South Dakota [Mr. BUSHFIELD] and the Senator from Nevada [Mr. MALONE] are necessarily absent.

Mr. LUCAS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from West Virginia [Mr. KILGORE] are absent on public business.

The Senator from California [Mr. DOWNEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The PRESIDENT pro tempore. Eighty-four Senators have answered to their names. A quorum is present.

Mr. WHERRY. Mr. President, I wish to make a brief summary of what I have said relative to my amendment. I should like to call the parliamentary situation to the attention of the Senators who may not have been present earlier.

The amendment offered by the distinguished Senator from New Hampshire [Mr. TOBEY] is a second-degree amendment. Therefore, it is not in order to offer an amendment to his amendment to increase the number of pounds. Unfortunately, if any amendment is to be adopted which will provide otherwise than is provided by the distinguished Senator's amendment relative to further allocations, the Senate must defeat his amendment.

The amendment which he has offered provides 35 pounds as a firm commitment to the housewife. It also provides that in the event there is an increase over 6,800,000 tons, the housewife shall be given priority up to 50 pounds. Nothing is said about other users, such as milk condensers. At the moment it provides that if there is an increase—and that increase is based upon 6,800,000 tons—there may be additional allocations to the housewife up to 50 pounds.

The amendment which I should like to offer, if the Tobey amendment is defeated, would make a firm commitment of 40 pounds to the housewife, regardless of any increase. It is based primarily on the fact that there has been discrimination against the housewife. It is felt that this is one way to equalize the situation. I think most of us are convinced that the Department can provide for distribution of an additional 5 pounds, because if everyone in the United States asked for it it would amount to only 375,000 tons. The evidence is that probably less than 30,000,000 people would avail themselves of the additional amount, and they are the people on the

farms. Six million families, averaging five to a family, would represent approximately 30,000,000 people who would avail themselves of additional sugar. The evidence is that it will probably require only an additional 100,000 tons to provide the 40 pounds.

In the first quarter, in which we are now operating, 5 pounds of sugar is allocated to the housewife. In the second quarter, ending in June, 10 pounds will be allocated. In the third quarter it is asked that 15 pounds be allocated, or 5 pounds more than in the allotment proposed.

The reason my amendment proposes such an allotment is that throughout the country the months of July, August, and September are primarily the months when more sugar is needed for canning; and, as I have previously explained at considerable length, it seems to me that if we put a floor under agricultural commodities, such as fruits and vegetables, to induce their production, we ought to provide sugar to preserve them. We should not continue to appropriate money for floors under agricultural commodities and then not take care of the fruits and vegetables when they are grown, if sugar is needed for canning them.

The amendment of the distinguished Senator from New Hampshire provides for an increased allotment to the housewife only if there is an increase above 6,800,000 tons. There is a great deal of evidence in the hearings, and there has been a good deal of evidence given on the floor of the Senate, that sugar will be recouped from other sources, so as to make the supply in excess of 6,800,000 tons. In that event the third section of my amendment provides:

In the event the quantity allocated to non-provisional industrial users—

The nonprovisional industrial users are those who are not milk condensers, and so forth—

In the event the quantity allocated to nonprovisional industrial users during any portion of the period from April 1, 1947, until the expiration of the allocation authority, is increased above the base allocation of such user, then in that event the quantity herein required to be allocated for home consumption during the last portion of such period shall be proportionately increased.

In other words, Mr. President, from here on there will be no discrimination. If there is any increase from any source and if an allocation of it is made, it will become mandatory upon the Department of Agriculture to increase proportionately the amount going to the housewife, as her percentage, just as they increase it for the industrial users. Certainly no one should quarrel with such a provision. It does exactly what the distinguished Senator from New Hampshire wishes to do, insofar as allocations are concerned, if we go above 50 pounds. I imagine he would not object to it.

I should like to say further that prior to the war, the amount of sugar consumed by home users, as compared to the amount consumed by industrial users, was approximately 50 percent of the total consumption; in other words, the home users and the industrial users

were on approximately a 50-50 basis, with 50 percent being consumed by home users and approximately 50 percent being consumed by industrial users. However, during the war the amount allotted to the housewives dropped to nearly 40 percent. My amendment would return, from now on, to the historical basis of the distribution of sugar as between industries and the housewives.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LUCAS. I wish to say that I should like to see the housewives get all the sugar they possibly can get. Of course, in the event that I was in favor of the amendment of the able Senator from Nebraska, I would have to vote against the amendment of the able Senator from New Hampshire.

Mr. WHERRY. That is correct.

Mr. LUCAS. If I voted that way and if the amendment of the able Senator from New Hampshire were not adopted, then I would be on record as being against giving the housewives 35 pounds of sugar.

Mr. WHERRY. Except, I may say to the Senator, if that eventuality arises, I still shall have the right to offer my amendment as a substitute for the House bill, after the House bill is amended by adding to it the Senate committee amendment as perfected; and that is what I intend to do in that event. So the Senator from Illinois will not then be on record as being opposed to giving the housewives the most sugar that possibly can be given to them. If the amendment of the Senator from New Hampshire is adopted, then I shall offer my amendment when the House bill, as amended by the Senate committee amendment as perfected, is before the Senate; and when I do that I shall ask for a ye-and-nay vote, and thus the Senator from Illinois will have a chance to place himself on record on the question of favoring my amendment.

Mr. LUCAS. Yes; but so far as the present situation is concerned, in order to vote for the amendment of the Senator from Nebraska, I shall be compelled to vote against the amendment of the Senator from New Hampshire.

Mr. WHERRY. That is correct.

Mr. LUCAS. In other words, so far as my record will be concerned, in that event I shall be voting against giving the housewife 35 pounds of sugar.

Mr. WHERRY. Except for the assurance of the junior Senator from Nebraska that the Senator from Illinois, when the Senate has before it the House bill as amended by the Senate committee amendment as perfected—which then will make the House bill a new bill—will have an opportunity to vote on the question of the adoption of my amendment, even in the event the amendment of the Senator from New Hampshire is accepted. So the Senator from Illinois will still have a chance to vote for 40 pounds of sugar for the housewives, and I say to him that if he wishes to vote for 40 pounds of sugar, he had better vote against the amendment of the Senator from New Hampshire and vote for my amendment when the time comes to vote on it.

Mr. LUCAS. Yes. But if I am going to have two chances to vote on the amendment of the Senator from Nebraska, I think I shall take the chance of voting for the amendment of the Senator from New Hampshire first. I do not wish to be placed on record as voting against letting the housewives have the 35 pounds of sugar. If I voted against that, I am afraid my record on the sugar question might reach my constituents; and that would be very dangerous, because my constituents are very much in favor of getting even 35 pounds of sugar. I do not wish to be misunderstood. I am afraid the parliamentary situation is such that I would be misunderstood if I should not support the amendment of the Senator from New Hampshire.

Mr. WHERRY. Mr. President, for some reason it is very difficult for me ever to propose a piece of legislation for which the distinguished Senator from Illinois finds that he can vote.

Mr. LUCAS. Oh, Mr. President, I have voted with the Senator from Nebraska many times, and he knows it.

Mr. WHERRY. I deeply appreciate the Senator's interest in my amendment, and I know he wishes to support it. I can assure him that after all his years of experience in the Senate, he knows exactly what to do; and so of course at this time it is unnecessary for me to point out to him that I should like to give him an opportunity to vote for my amendment, and that if he and I are to have that opportunity, he should join with me in helping to defeat the amendment of the Senator from New Hampshire.

Mr. LUCAS. But I do not wish to be misunderstood by the housewives.

Mr. WHERRY. The Senator from Illinois will take care of the housewives all right.

Mr. President, I yield the floor.

Mr. McCARTHY. Mr. President—
The PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

Mr. McCARTHY. First, I should like to refer to the amendment of the Senator from New Hampshire, which I was not previously able to cover thoroughly. The Senator from New Hampshire took exception to my description of his amendment as "fictitious." Mr. President, in law if there is a complaint or other matter which accomplishes nothing, it is referred to as fictitious. So I repeat that comment about the amendment of the Senator from New Hampshire; it is fictitious, in that it will accomplish nothing. It provides for what shall happen, first, over a period of a year. In the second place, it contains no mandate that the amount of sugar going to the housewives shall be increased.

At this time I should like to ask the Senator from New Hampshire if he will consent to a suggestion to which for some time I have been trying to get the Senator from Vermont [Mr. FLANDERS] and other Senators who take the opposite side of the question to consent to. I wish to know whether he will consent at this time, in view of his avowed concern for the housewives, to modify his amendment so as to make it provide that the housewife shall get at least 15 pounds of sugar during the canning season. If the

Senator from New Hampshire will consent to such a modification of his amendment, then I also ask him whether he will agree to modify his amendment so that it will not affect the milk processors, as his amendment now does.

If the Senator will modify his amendment in those two respects, I shall be very happy to go along with him and to vote for and support the amendment as thus modified.

Does the Senator from New Hampshire understand my question?

Mr. TOBEY. Mr. President, I was interrupted, I regret to say; so I shall appreciate having the Senator repeat his proposal.

Mr. McCARTHY. My question is this: The Senator from New Hampshire told me, and I believe he is sincere, that he is much concerned about having the housewife get her proper share of sugar. I read to the Senator from page 226 of the hearings, in which the gentlemen who represent the mass of industrial users of sugar freely admit that the housewife is not getting her fair share of the sugar. In view of that, and in view of the Senator's avowed concern for the housewife, I ask the Senator from New Hampshire whether he will consent to modify his amendment so as to make it mandatory that the housewife shall receive a minimum of 15 pounds of canning sugar during the third quarter. If the Senator from New Hampshire will do that and if, in addition, he will do something else—which I think is merely a correction required as a result of an oversight—namely, provide that his amendment shall not affect the provisional users, I shall very heartily support the amendment. As the amendment now stands, I say to the Senator, I have used the word "fictitious" to describe it, because I think it will accomplish nothing, and will be nothing more or less than a deceptive measure.

Mr. TOBEY. Mr. President, let me answer the Senator in my own way, if I may. I shall answer the Senator's question as I go along, but first let me state—I wish to repeat it, because it seems to me that some people do not grasp the facts of the amendment even as yet. The Tobey amendment is one which is thought out primarily for the housewife, in all good faith; and it does a very definite and concrete and substantial thing. It guarantees 35 pounds of sugar to the housewife during the calendar year, as against 25 pounds which she received in toto last year. That is a 40-percent increase. Then it makes a reasonable and sane and, I think a constructive statement, and makes it mandatory; namely, that when, as, and if an increase in the supply of sugar is available, the Department of Agriculture, through Secretary Anderson, must give all of it to the housewife—not a portion of the amount, but all of it, up to the limit of 50 pounds, which is the amount the housewife consumed annually before the war.

Mr. McCARTHY. Mr. President, let me interrupt the Senator to comment on his statement that the amendment would increase the allotment to the housewife by 40 percent. When the Senator refers to 35 pounds and to increasing the allotment to the housewife up to

35 pounds, the amendment would not increase it at all over what the OPA says it will give the housewife.

What I have been asking the Senator from New Hampshire and the Senator from Vermont [Mr. FLANDERS] to do all along is to recognize the fact that the industrial users are receiving an unfair portion of the sugar as they themselves admit in the record repeatedly. I say that, instead of giving the housewife a promise, which may or may not be fulfilled, we should make it mandatory.

Mr. TOBEY. Mr. President, I ask the Senator to let me know when he finishes his statement, and then I shall come in.

Mr. McCARTHY. I invite the Senator to come in now.

Mr. TOBEY. The Senator from Wisconsin misses the point, I hope not intentionally to befuddle, but his is a befuddling statement. He fails to recognize and point out that the housewives were getting last year 25 pounds, and would get this year, by my amendment, 35 pounds, representing a 40-percent increase over last year. Does the Senator recognize that fact?

Mr. McCARTHY. I recognize the fact that she is not getting her fair share of sugar.

Mr. TOBEY. That is not the question.

Mr. McCARTHY. Let me say to the Senator—

Mr. TOBEY. The Senator is not answering the question.

Mr. McCARTHY. Let me refer to the hearings. I was interrogating Mr. Overman, who was representing the industrial users:

Senator McCARTHY. When you allot such a woman 35 pounds of sugar, do you realize that is far below the 80 percent which it is proposed your industry be allowed? There is no question about that, is there?

Mr. OVERMAN. That is true.

Senator McCARTHY. Would you recommend that we reduce your 80 percent sizably and try to level off this situation and give the housewife some more?

Then Mr. Overman, who represents the industrial users, answered:

I would hesitate to recommend that, certainly.

I say to the Senator from New Hampshire that here today we should do what Mr. Overman and the other industrial users refuse to recommend, we should level off the situation and give the housewife her fair share. The Senator's amendment does not do that, and my point is that if he is as sincere as I believe he is, he should be willing to amend his own amendment and make it mandatory that the housewife shall get at least an additional 5 pounds for canning. Obviously she should get more than that, she should get 10 pounds. The sugar is available.

Mr. TOBEY. I do not like to void the Scriptural injunction and use "vain repetitions," but here it comes again. The issue is whether the housewives of this country are going to be treated fairly, and we demand they shall be. So, in a constructive effort to take care of the needs of the housewives, we jack up the supply they are to get 40 percent over last year, and then we say, "Mr. Secretary Anderson, when the new sugar

comes in if the supply is larger than estimated you must give it to the housewives up to 50 pounds," which would be 15 pounds more than contemplated.

Now about the canning feature. There is a certain amount of sugar available, and the Department has made an estimate of it. Has the Senator figured that? They allocate it to the commercial users and the housewives, and at any time in the current year, preserving time or not, when the supply of sugar increases and more is available the Secretary can and will give it to the housewives, but if it is not there he cannot and he will not.

Mr. McCARTHY. I thank the Senator.

Mr. TOBEY. The Senator is very welcome.

Mr. McCARTHY. Mr. President, I should like to point out to the Senate that in 1944 a law was passed which made it illegal to ration sugar on the historical-usage basis. It was there very clearly written into the law. Mr. Dice, who was the head of the sugar-rationing program and who will, apparently, continue to be at the head of it, saw fit completely to disregard that provision, thereby creating a monopoly in certain industrial users, and excluding everyone from the use of sugar unless he or she had been in that particular type of business in 1941.

Whether that was wise or unwise, the law was there, very clear to see, and Mr. Dice saw fit to disregard it. The matter was taken to court, and it was decided that he was violating the law. The case was appealed to the higher court, and the higher court affirmed the lower court and said he was violating the law.

In view of that the ambiguous, deceptive amendment which the Senator from New Hampshire proposes to add to the bill can be interpreted in any conceivable way by Mr. Dice, who is heading the sugar-rationing program, and the only way we can get—

Mr. TOBEY. Is that name "Dice"?

Mr. McCARTHY. Dice.

Mr. TOBEY. I do not play with dice.

Mr. FLANDERS. Mr. President, will the Senator from Wisconsin yield?

Mr. McCARTHY. Let me finish the sentence. The only way we can make sure that the housewife gets her fair share of the sugar is by defeating the Tobey amendment. We may then vote upon the Wherry amendment.

Now I yield to the Senator from Vermont.

Mr. FLANDERS. The Senator was speaking a moment ago about the allocation of sugar to prevent the wastage of milk. I believe he was present when the Secretary said that sugar would be allocated for that purpose. We have him on record to that effect in our report, at the top of page 7, the 4th, 5th and 6th lines, where it is said:

The Secretary has assured the committee that sugar will be made available to prevent the wastage of milk.

Furthermore, administrative orders to that effect have already been issued.

Mr. McCARTHY. Let me point out, in connection with that, that when we were examining Mr. Marshall, of the

Office of the Secretary of Agriculture, as appears on page 237 of the record, we were trying to urge that something be done for the milk industry, and this is what he said:

We still feel that it isn't right to pick out a single industry of that kind and give it sugar unless you are able to give increases to others.

At that time, while we were conducting the hearings, the Department of Agriculture had already made up their minds that they would not give the milk processor any milk.

Again, on page 240, in questioning Mr. Marshall, I asked:

Senator McCARTHY. Just one further question: Mr. Marshall, in view of the world food shortage, in view of the apparently undisputed fact that unless the milk processors get more sugar there will be a great waste of food, namely, milk, would you not think it might be wise, even if you continue rationing, instead of building up the stock pile in the United States by 500,000 tons during the current year, that you take at least a part of that 500,000 tons and allocate that to the milk processors?

It is true that at that time they said they could not, should not, and would not do it. A few days later Secretary Anderson came before us, and, like the typical bureaucrat trying to defend his position, he changed his mind, and said, "We will now do what was impossible 2 days ago."

That being the situation, I say we cannot trust those gentlemen. We have got to tell them definitely what they must do and when they must do it. I say that, in view of this changeable and changing attitude; it is indicated that there must be an investigation before we can have a law interpreted wisely, we must not use ambiguous language, such as is used in the amendment of the Senator from New Hampshire, we must have something concrete, as is found in the amendment of the Senator from Nebraska [Mr. WHERRY].

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. FLANDERS. Again going back to the point where the Senator took off, as I was listening, with regard to the agreement by the Secretary of Agriculture to take care of wastage of milk, I would say that he was not the typical bureaucrat. The typical bureaucrat does not retreat, and the Secretary told us that he had himself been dealing with OPA for a long time on that question, trying to persuade them to do it; all of which, Mr. President, leads me to believe that we cannot pick out a much better man to handle the sugar law than Secretary Anderson.

Mr. TOBEY. Mr. President, will the Senator from Wisconsin yield?

Mr. McCARTHY. I yield.

Mr. TOBEY. In reply to the statement of the Senator from Wisconsin to the Senate a few moments ago that the Tobey amendment was ambiguous, I will quote the admonition of St. Paul describing some people back in his day, and it applies equally to the Senator from Wisconsin: "Eyes have they and they see not." There is nothing ambiguous about the amendment. There it is, a plain

declaration. I would like to have the Senator point out an ambiguous statement in the amendment.

Mr. McCARTHY. Mr. President, the undisputed fact that we have a tremendous amount of sugar which we did not anticipate at the time of the hearing, the Senator's repeated professions of concern about the housewife, plus his refusal to insert in his amendment anything concrete saying when and how she shall get additional sugar cause me to wonder whether or not the Senator does not heartily agree with me that his amendment is so ambiguous that Mr. Dice can interpret it in any fashion he wants to.

Let me say one thing further on the question of whether or not sugar is available to give the housewife additional canning sugar. I told the Senator from Nebraska [Mr. WHERRY] we would go along with him in his suggestion of an additional 5 pounds. I think that is entirely inadequate. I think we could give her 10 pounds easily. But I believe that 5 pounds would help somewhat. Let me take the word right out of the mouth of Mr. Dice, who is the head of sugar rationing, and show the Senate that we could, and should, as of today, do away with rationing, and, if that is possible, we could certainly give the housewife an additional 5 pounds. Let me read very briefly from the testimony of Mr. Dice:

Senator McCARTHY. Do you know, roughly, how much sugar was in the United States on the first of this year?

Mr. DICE. I believe it was about 1,440,000 tons. I believe Mr. Marshall could give a more accurate figure.

Senator McCARTHY. Is that substantially correct, 1,440,000 tons?

The record shows Mr. Dice and Mr. Marshall answered, "Yes, sir."

Senator McCARTHY. I understand further that under your present rationing plan, with 6,800,000 tons available to us, there will be at the end of this year how much on hand?

Mr. DICE. It is my understanding that it is somewhere in the neighborhood of 1,900,000 tons. However, that is not something over which OPA has control. That is a matter that is determined by the Department of Agriculture.

Senator McCARTHY. In any event, if you follow the present rationing plan, which will give each individual about 93 pounds of sugar—that is sugar consumption, not allocation; if you follow that plan of rationing you will increase both the visible and invisible stocks combined by, roughly, 500,000 tons; is that right?

Mr. DICE. Or 450,000.

Senator McCARTHY. You are also aware of the fact that the Cuban crop is tremendously better than was anticipated several months ago?

Mr. DICE. I have heard reports both ways. I understand that the official estimate is still 5,500,000 tons.

I digress there to say that, 3 days before that, 3 days before Mr. Dice said the final estimate was 5,500,000 tons, his department issued an estimate of Cuban production of 5,750,000 tons.

There are some reports that indicate that it will be higher.

Senator McCARTHY. In other words, all of the reports that we get from Cuba indicate that the crop is a bumper crop. So far we have no reports indicating that it is not a bumper crop. That is substantially true?

Mr. DICE. So far as I know, that is correct.

Senator McCARTHY. And it has been estimated here that the crop will run from 300,000 to 500,000 tons more than was anticipated?

Again, if I may interrupt the quotation, I point out that instead of being from 300,000 to 500,000 tons, it is now actually and definitely 637,000 tons more than anticipated.

Mr. DICE. Yes, sir.

Senator McCARTHY. If we add that to your 500,000 tons by which you are increasing the inventory in this country during this year, we have close to 1,000,000 additional tons of sugar which we could use this year, and have our stock the same at the end of the year as it was at the beginning of the year.

That is correct, is it not; just by simple arithmetic?

Mr. DICE. If you assume that we would run our stocks down to the point where we started this year, and if you assume that there is an additional half-million tons produced in Cuba, and if you assume further that all of that half-million tons is available to the United States civilians for consumption, then that is a correct assumption.

Now let me analyze the statement of Mr. Dice. He says, first "if you will assume we will have over a half million tons available." We have; we have 637,000 tons available.

He says, second "If you assume that is available to this country." It is available to this country, because we have a contract with Cuba which makes it available.

Senator McCARTHY. You testified, I believe, the other day, that if we added about 1,000,000, or 1,200,000, tons of sugar to the amount of 6,800,000 tons which you presently propose to ration, that would make rationing unnecessary in this country?

Let me repeat that question. This is a question asked of Mr. Dice:

You testified, I believe, the other day, that if we added about 1,000,000 or 1,200,000, tons of sugar to the amount of 6,800,000 tons which you presently propose to ration, that would make rationing unnecessary in this country?

Mr. DICE. Providing there was some inventory control.

So, out of the mouth of the head of OPA, out of his own mouth, we find him telling us that if we have the amount of sugar available which we do now have available, rationing would be unnecessary, if we have inventory control.

Senator McCARTHY. Yes. In other words, the type of inventory control that was suggested the other day by Mr. Mack, perhaps.

Mr. DICE. That was not defined, but, say, a 30-day inventory limitation I believe would do it.

Mr. REVERCOMB. Mr. President, will the Senator yield at this time, to permit me to address a question to the Senator from New Hampshire?

Mr. WHERRY. I yield.

Mr. REVERCOMB. I am very much interested in these proposed amendments, including the amendment offered by the Senator from New Hampshire. The Senator from New Hampshire fixes a figure of not less than 35 pounds per capita for the calendar year, and that, I take it, is based on the known crop of sugar and the allocation to the United States when this bill was originally reported to the Senate?

Mr. TOBEY. That is correct.

Mr. REVERCOMB. If it should be found that there is an additional amount of sugar, which has been mentioned here as some 700,000 tons, what would become of that additional amount of sugar under the Senator's amendment?

Mr. TOBEY. It would all go to the housewives.

Mr. FLANDERS. Excuse me, sir.

Mr. TOBEY. Please.

Mr. FLANDERS. I think it would not all go to the housewives. At the proper time I should like to be interrogated on that point.

Mr. REVERCOMB. Very good, sir.

Mr. TOBEY. I thought the Senator asked, if there were an increase in the supply of sugar that had been allocated.

Mr. REVERCOMB. It is said, that the Cuban crop, and I believe, other crops that it was stated were coming in, would make available an additional 700,000 tons plus. If that be correct—not going into the question of whether that figure is correct, but assuming that it is—where would that 700,000 tons go? Who would get the benefit of it?

Mr. TOBEY. Up to 50 pounds per housewife, it would go to them.

Mr. REVERCOMB. Is it possible that any part or all of the 700,000 extra tons of sugar could be allocated to countries other than the United States by the International Emergency Food Council?

Mr. TOBEY. I have a signal from my friend, the Senator from Vermont [Mr. FLANDERS], who knows this question better than I do. I yield to him on that particular point. He will answer it.

Mr. FLANDERS. I would like to read the record.

Mr. REVERCOMB. I would like to have my last question answered first.

Mr. FLANDERS. I will answer the Senator's last question. Like the Senator from Wisconsin, I shall have to read a few preliminary statistics first, but it all goes to the points being raised by the Senator, and it is only one paragraph.

There is reason to believe that the supply situation is somewhat improved due to the more favorable reports from Cuba. On March 5 the Cuban Sugar Stabilization Institute cabled that the Cuban crop might reach 5,675,000 short tons; on March 17 word was received from the institute that, due to unusually favorable weather in recent weeks, the present crop will reach 5,960,000 short tons, barring an early rainy season. An estimate was made by the Cuban sugar trade on March 14 that it would go as high as 6,137,000 tons. However, these optimistic estimates cannot be accepted with assurance. The crop is not yet half harvested; therefore, it still is possible that production might fall short of the optimistic estimates or even of the estimate on which allocations were recommended.

Mr. REVERCOMB. I should like to interrupt the Senator at that point. I am not going into the question of how much margin there will be, in round figures. Let us assume that there is an increase. Let us assume it, not as a fact, but for the purposes of the question. What becomes of that extra amount? Where does it go?

Mr. FLANDERS (reading):

Allocations were recommended by the International Emergency Food Council on the basis of a Cuban crop of 5,500,000 short tons. The realization of a higher Cuban crop will, of course, be quite helpful, but the supply situation still will be far short of meeting the needs of a free market. The 1947 international allocation recommendation includes a total of 736,000 tons of "undesignated" sugar to all countries—

Mr. McCARTHY. Just a moment. I will not yield further to the Senator from Vermont.

Mr. FLANDERS. I will finish the paragraph.

Mr. McCARTHY. Mr. President, I will not yield further to the Senator.

Mr. FLANDERS (continuing reading): with 200,000 tons of such sugar allocated to the United States. The increase in the Cuban crop, therefore, would not be—

Mr. McCARTHY. Mr. President, I still have the floor.

The PRESIDING OFFICER (Mr. BALDWIN in the chair). The Senator from Wisconsin has the floor.

Mr. FLANDERS (continuing reading): enough to fill the need of the various countries—

Mr. McCARTHY. Mr. President, I have the floor and I do not yield further.

Mr. FLANDERS (continuing reading): from the undesignated sources.

The PRESIDING OFFICER. Will the Senator from Vermont desist?

Mr. FLANDERS. I will at the request of the Chair.

Mr. McCARTHY. The Senator will recognize the fact that I have the floor, and I want to point out in my own time that when the Senator referred to "undesignated" I stopped him at that particular point, because that expression, "undesignated" sugar has been bandied about so much. We do have 200,000 tons of undesignated sugar allocated to the United States. However, there is nothing in the allocation with regard to our continental cane sugar. That amounted to 461,000 tons last year. This year we have an estimated 17,000 additional acres in cane production.

Mr. FLANDERS. May I correct that statement?

Mr. McCARTHY. I do not yield now. Let me finish my sentence. The additional 17,000 acres of cane sugar will bring the continental cane sugar output up to about 500,000 tons; so, instead of having 200,000 tons of undesignated sugar, we have a surplus of 300,000 tons. That is not taken into consideration.

Now I yield to the Senator from Vermont.

Mr. REVERCOMB. Mr. President, will the Senator yield to me first?

Mr. McCARTHY. Certainly.

Mr. COOPER. Mr. President—

Mr. McCARTHY. I shall yield to the Senator from Kentucky as soon as the Senator from West Virginia concludes.

Mr. REVERCOMB. I thank the Senator from Wisconsin for yielding to me. I have a very simple question to ask which can be answered in a word or two without discussion such as has preceded. I will now propound the question. If a

margin of sugar over the estimate upon which the allocations were originally made is found to exist, who gets that margin of sugar?

Mr. McCARTHY. I shall tell the Senator who will get it. We presently have a contract with Cuba for a large proportion of her sugar. If there is a great surplus of over 5,500,000 tons, as there is, then one of the foreign nations could, I assume, ask for a reallocation. If we accepted that reallocation, that would deprive us of some of that sugar. Presently all of that sugar is allocated to us. I might say further—

Mr. REVERCOMB. May I ask a question at this point?

Mr. McCARTHY. Certainly.

Mr. REVERCOMB. As a matter of fact, the allocations were made upon an estimated production of some 5,000,000 tons; is that correct?

Mr. McCARTHY. Five and a half million tons.

Mr. REVERCOMB. Five and a half million tons. Now it is found that we are going to receive some 6,100,000 tons. Will the allocations made by the International Emergency Food Council to the different countries, including our own, be changed because there has been found to be more sugar?

Mr. McCARTHY. We interrogated witnesses on this question in detail, and so far as I know and so far as I can determine, there is no automatic reallocation. I believe that any one of the nations that is concerned could ask the International Emergency Food Council to reconsider the allocation and give it more sugar.

Let me make a further statement. We have presently allocated 1,600,000 tons of sugar to foreign nations. That sugar is priced at 8 cents a pound, which is the established wholesale price. They can purchase calories, if I may use that term—they can purchase food value in grain much cheaper than in sugar at the present price. So that there is at least some possibility, if they use their dollars wisely, and use them for the purpose of getting the most calories per dollar for starving people, that they may not use the 1,600,000 tons of sugar. Now, if we were to do away with rationing, it would not affect the allocation program so far as sugar to foreign nations is concerned. But it might have this effect, that if sugar were to rise in price 2 or 3 or 4 cents a pound, then the cost of calories in sugar would be so far out of line with the cost of calories in grain that they would undoubtedly not even take—I say undoubtedly—they perhaps would not take the present allocations, and would do what appears to be much wiser, use their dollars to purchase the highest food value, and that is in grain.

Mr. REVERCOMB. Mr. President, will the Senator again yield?

Mr. McCARTHY. I yield.

Mr. REVERCOMB. I realize that the Senator has argued from a very practical standpoint as to what may happen. But let us get down to the very basis of this situation. We have talked about getting additional sugar for the individual user, for the housewife. We know how much sugar the United States was going to re-

ceive under the original allocation based upon a production of 5,500,000 tons. Now we have some 700,000 additional tons that have been found actually to exist, as the Senator from Wisconsin advises us. What I am asking is: Under the amendment of the Senator from New Hampshire will all that 700,000 tons come to the United States. I ask that question of the Senator from New Hampshire?

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. TOBEY. I thank the Senator. The statement I would make to the Senator from West Virginia is, that if there is an increase in the large allocation which is divided up among the nations of the world, we will get our proportionate share of that increase, and the whole of that proportionate share will go to the housewife; and all the sugar produced in this country, under the present estimates, will also go to the housewife.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. REVERCOMB. I should like to ask another question of the Senator from New Hampshire? Then in order really to say that the housewife of this country will receive an additional share we will have to provide in the measure we pass that that sugar shall go to the housewife of this country before it is allocated to the people of other countries.

Mr. TOBEY. That cannot be done. We cannot on the floor of the Senate vitiate the terms of an international agreement.

Mr. REVERCOMB. I am not trying to vitiate anything. But I say that this sugar comes to the United States. It has been contracted for by this Government. Some 300,000 tons of that sugar are found to be in excess of the basis of the sugar supply upon which the international allocations were made. I put this question to the Senator from New Hampshire: Is it not necessary that we fix a minimum amount that the housewife is to receive if we are going to protect her in connection with the increased quantity of sugar we receive?

Mr. TOBEY. The answer to that question in my judgment is "No," because the increase the Senator speaks of we hold in trust for other nations through the Commodity Credit Corporation. It is not our sugar.

Mr. REVERCOMB. One more question. Does the Senator agree with the argument that it is possible that the foreign countries will not need all of the 1,600,000 tons allocated to them?

Mr. TOBEY. They have now a smaller amount than we have, and far be it from me to say that they do not need the smaller amount than we have. Who has the authority to raise that question?

Mr. REVERCOMB. I am not arguing.

Mr. TOBEY. I am not argumentative. I say that whereas they now have under the international agreement a lower allocation than the United States has, it is rather presumptive for me or anybody else to say that they would not want to use what they now have allocated to them.

Mr. McCARTHY. Mr. President, I wish to point out that the matter now being discussed has nothing to do with the question whatsoever. Canada and England have exactly the same per capita allocation that we have. There is no difference. I do not think that has anything to do with the question of rationing in this country, because our rationing will not affect the allocation program except insofar as it may induce some other nations not to take their full allocation.

Mr. REVERCOMB. One more thing. It seems to me that the very heart of the situation so far as additional sugar for the housewife, for the individual, is concerned, is that there will be some 700,000 additional tons by actual measurements after the crop is in. It seems to me, then, that the whole question of whether the housewife shall receive additional sugar comes down to what proportion of that sugar is coming to this country.

Mr. McCARTHY. I heartily agree with the Senator. Presently there may be indications that we shall not get the full amount of sugar from Cuba that we have contracted for. There has been no request for increased allocations. They are now getting 600,000 tons more than they got prior to the war. It is entirely possible that some of the other nations may request a reallocation by the International Emergency Food Council. Whether such a reallocation would be granted or not, I have no way of knowing. But as things stand today we have a contract for the sugar. We shall get an additional 700,000 tons of sugar.

Mr. REVERCOMB. In addition to the original amount?

Mr. McCARTHY. Yes; in addition to the original amount.

Mr. COOPER and Mr. FLANDERS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield; and if so, to whom?

Mr. McCARTHY. I yield first to the Senator from Kentucky.

Mr. COOPER. Mr. President, I think I stand in the position of a great many other Senators. We did not have an opportunity to attend the hearings or hear the witnesses, particularly the Secretary of Agriculture. Any decision we may make must be based upon the facts developed by the committee and, I believe, upon the judgment of the committee.

I believe also that despite our statements and our interest in helping the housewife, we cannot help the housewife unless the sugar is available. My question is directed to the point as to what sugar is available. I notice from the report of the committee, in table 4, on page 9, that there has been allocated to the United States a total of 6,800,000 tons for 1947.

Mr. McCARTHY. Let me interrupt the Senator to clear up that point. No particular amount has been allocated to the United States. There has been allocated to foreign nations, out of the amount which we purchased through Commodity Credit Corporation, the amount of 1,600,000 tons. The allocation to other nations is out of the Cuban supply.

Mr. COOPER. Table 4 is headed "International Emergency Food Council recommended sugar allocation for 1947 by source of supply." The figures are given in thousands of short tons. In the first column, the total recommended allocation for the United States is 6,800,000 tons. As I understand the amendment proposed by the Senator from New Hampshire, it would require, on the basis of the allocation of 6,800,000 tons, that 35 pounds per consumer be mandatorially allotted.

Mr. McCARTHY. and that is the present plan of the OPA. It is merely a reaffirmation of what they say they are going to do.

Mr. COOPER. On the basis of an estimated supply of 6,800,000 tons, does the Senator from Wisconsin propose to increase the supply to the individual consumer?

Mr. McCARTHY. Obviously not. We are talking about the additional sugar which is available.

Mr. COOPER. Then it is upon the basis of the increase which the Senator has information will be available.

Mr. McCARTHY. Yes. It is based upon the known fact—not an estimate—that we shall have more than 1,000,000 tons of additional sugar. I should like also to point out that the other day the Netherlands East Indies issued a story to the effect that their peace treaty was about ready for signing—it has been initialed—and that when the treaty between the Dutch and the Indonesians has been signed in excess of 1,000,000 tons of sugar will be available for shipment from the East Indies. That will be a windfall. I am not basing my proposal upon that. But if that is true, before the end of the year we shall have a tremendous surplus of sugar, and Government agencies will again be paying our beet farmers not to raise sugar beets.

Mr. COOPER. As I understand the proposal of the Senator, it is that an increase can be made, based upon information which has come to him that the imports from Cuba will be increased to a total of 6,137,000 tons.

Mr. McCARTHY. Yes. The total amount we shall get from Cuba, assuming that the survey which has been completed is correct, is 3,887,000 tons.

There is one additional item. I am taking the testimony of Mr. Marshall, an official of the Department of Agriculture. He also tells us that there will be an additional 50,000 tons from Hawaii, which gives 791,000 tons, which incidentally is sufficient to give an additional 10 pounds to every one of the 143,000,000 people in the United States, which would bring us up to the total pre-war consumption of sugar.

Mr. COOPER. Pursuing the Cuban situation, I notice on page 8 of the report, in table 1, that the estimate imports from Cuba for this year are 5,500,000 tons. The Senator has stated that he has information that that supply could reach 6,137,000 tons.

Mr. McCARTHY. Let me interrupt and give the Senator the complete picture. Originally the Department of Agriculture estimated the Cuban crop at 5,000,000 tons, which is much higher than the figure for last year. It later revised

that figure upward to 5,500,000 tons. At the time of the hearings Mr. Dice stated that the estimate was 5,500,000 tons. However, at that time—in fact, 3 days previous to that time—the Agricultural Department had issued a bulletin to the effect that their estimates were again revised upward, to 5,750,000 tons. Let me point out that this is no fault of the Department of Agriculture or any other department. The Cuban crop is being presently harvested. They start to harvest it in January and finish some time in May. Since the hearings have ended, within the past week, a survey of 97 percent of the Cuban sugar producers has been made, and the estimate now is 6,137,000 tons.

Mr. COOPER. Whatever it is, out of the estimated increase in supply of 637,000 tons, the Senator proposes an increase to the individual consumer, whom we have been denominating as the housewife. Is that correct?

Mr. McCARTHY. That, and also the 500,000 tons which OPA presently plans to add to our stock pile this year. So we have 1,100,000 tons of sugar to draw upon.

Mr. COOPER. We have reached that point. How much does the Senator propose to increase the supply to the individual consumer out of the estimated increase?

Mr. McCARTHY. I am sorry, but I did not catch the question.

Mr. COOPER. How many pounds would the increase represent to the individual consumer out of the estimated increase?

Mr. McCARTHY. I have proposed an additional 10 pounds for home use. The Senator from Nebraska [Mr. WHERRY] has an amendment which calls for an additional 5 pounds. His amendment also provides that after that 5-pound increase has been granted, any surplus of sugar shall go in proportionate amounts to the industrial user and the housewife. His proposal goes one step further, in that it would not affect the milk processors.

Mr. COOPER. Let me ask a final question. The Senator has stated that there will be a certain additional amount of sugar. The Senator proposes to capture that sugar for the housewife, under a mandatory provision that a certain number of pounds shall be allotted to the housewife.

Mr. McCARTHY. Yes.

Mr. COOPER. The Senator from New Hampshire [Mr. TOBEY] would likewise capture it under his amendment, which provides that an increased allotment be made, up to 50 pounds per person, from the expected increase.

Mr. McCARTHY. Let me point out that the industrial user is now receiving, roughly, 80 percent of his prewar consumption. The housewife is receiving 67 or 68 percent of her prewar consumption. The proposed additional 5 pounds would bring them both, roughly speaking, up to the same comparative percentage of their prewar consumption; and from this time onward, under the Wherry amendment, it is provided that when there is a further allocation it shall go in equal proportion to the housewife and the industrial user. In other words, if

the industrial user gets an additional 10 percent, the housewife will get the same percentage increase.

Mr. COOPER. The Senator stated that an additional 5 pounds would require 375,000 tons of sugar.

Mr. McCARTHY. Approximately that amount.

Mr. COOPER. Is it not true that if there should be an increase of 637,000 tons, under the amendment proposed by the Senator from New Hampshire an amount larger than 5 pounds—almost 10 pounds—would be captured for the housewife out of that increase?

Mr. McCARTHY. Except this: The Senator from Vermont [Mr. FLANDERS] has been urging that before we decontrol we must build up a sizable stock pile. I think he is correct. I think it would be well if we built up a sizable stock pile. That is also the attitude of Mr. Dice and Mr. Marshall. They apparently feel that instead of consuming the sugar this year we should add it to our stock pile. Under the amendment offered by the Senator from New Hampshire [Mr. TOBEY] we have absolutely no control whatsoever over Mr. Dice or Mr. Marshall. In view of the fact that the allocations have been admittedly unfair to date, unless we put it down in black and white that by such and such a date we must allocate so much sugar, as is proposed by the amendment offered by the Senator from Nebraska [Mr. WHERRY], I have no faith in their judgment. While the Senator from New Hampshire may attempt to do the same thing that the Senator from Nebraska attempts to do, the terms of his amendment are ambiguous. They are indefinite. We know that Mr. Dice and Mr. Marshall, or whoever is in charge, can say, "We will not give it to the consumer. We will add it to the stock pile."

Frankly, I believe that the amendment offered by the Senator from Nebraska, while it does not go as far as I should like to go, is so infinitely superior to that offered by the Senator from New Hampshire that there is no comparison at all. For that reason I intend to vote against the amendment offered by the Senator from New Hampshire.

The Senator from Kentucky was not present when, relying upon the sincerity of the Senator from New Hampshire, I asked him if he would so change his amendment as to provide for some additional amount of sugar for the housewife. If he would change his amendment to provide that the housewife should receive an additional 5 pounds, and then to do something which I think he has probably overlooked, but which has to be done in order to make the amendment a sensible one, namely, provide for the processors of food and the processors of milk, I would heartily support his amendment. The Senator has refused to do so, and the Senator from Vermont has consistently refused to do anything toward definitely providing additional sugar for the housewife.

Mr. COOPER. I do not want to continue repeating. I am only trying to get the facts, to ascertain whether there is any essential difference between the two amendments. As I interpret the facts which I have heard, it seems to

me that there is no essential difference between the two amendments.

Mr. McCARTHY. Let me interrupt the Senator. There is this difference: The amendment offered by the Senator from New Hampshire is apparently a mere well-meaning, pious hope and desire. The amendment offered by the Senator from Nebraska says that it shall be done by a certain date.

Mr. COOPER. As I understand, the idea of the Senator from Wisconsin is that there is a supply greater than 6,800,000 tons actually coming into this country, and that a definite amount should be allocated.

Mr. McCARTHY. That is correct.

Mr. COOPER. As I read the Tobey amendment it provides:

That refined sugar shall be allocated for home consumption at a rate of not less than 35 pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals 50 pounds of refined sugar per capita.

Mr. McCARTHY. The joker is the word "available." Mr. Dice and Mr. Marshall can interpret the word "available" in any way they care to. They can say that unless we add a million tons to the stock pile the sugar is not available.

Mr. TOBEY. Let me ask a question. The Senator says the word "available" is the nub of the whole amendment. What does "available" means? It means that we have it. When we have it, it can go to the housewife. If the sugar is available, the housewives can get it.

Mr. McCARTHY. Available means one thing to the Senator and another thing to me.

Mr. TOBEY. I am a Yankee. I know what it means to me. It means that we have it in our hands.

Mr. McCARTHY. It does not mean the same thing to the bureaucrats who are administering the law.

Mr. TOBEY. Who is the bureaucrat in this case?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New Hampshire [Mr. TOBEY] to the committee amendment.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Dworshak	Johnson, Colo.
Baldwin	Ecton	Johnston, S. C.
Ball	Ellender	Kem
Brewster	Ferguson	Knowland
Bricker	Flanders	Langer
Bridges	Fulbright	Lodge
Brooks	George	Lucas
Buck	Green	McCarran
Butler	Gurney	McCarthy
Byrd	Hatch	McClellan
Cain	Hawkes	McFarland
Capehart	Hayden	McGrath
Capper	Hickenlooper	McKellar
Chavez	Hill	McMahon
Connally	Hoey	Maybank
Cooper	Holland	Millikin
Cordon	Ives	Moore
Donnell	Jenner	Murray

Myers	Saltonstall	Tobey
O'Connor	Smith	Umstead
O'Daniel	Sparkman	Vandenberg
O'Mahoney	Stewart	Watkins
Overton	Taft	Wherry
Reed	Taylor	Wiley
Revercomb	Thomas, Okla.	Williams
Robertson, Va.	Thomas, Utah	Wilson
Russell	Thye	Young

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from New Hampshire to the committee amendment on page 2, adding certain words in line 20.

Mr. LANGER, Mr. TOBEY, and other Senators asked for the yeas and nays; and they were ordered.

Mr. AIKEN. Mr. President, will the Chair restate the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. TOBEY], adding certain words at the end of line 20 of the committee amendment on page 2. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll; and Mr. AIKEN answered in the affirmative, when his name was called.

Mr. SALTONSTALL. Mr. President, is it too late to have the amendment read?

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Hampshire to the committee amendment will be read.

The CHIEF CLERK. In the committee amendment on page 2, in line 20, before the period it is proposed to insert a colon and the following: "*And provided further*, That refined sugar shall be allocated for home consumption at a rate of not less than 35 pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals 50 pounds of refined sugar per capita."

The legislative clerk resumed and concluded the calling of the roll.

Mr. WHERRY. I announce that the Senator from Pennsylvania [Mr. MARTIN] and the Senator from Oregon [Mr. MORSE] are absent by leave of the Senate. If present and voting, the Senator from Oregon would vote "yea."

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness. The Senator from South Dakota [Mr. BUSHFIELD] and the Senator from Nevada [Mr. MALONE] are necessarily absent. If present and voting, the Senator from Nevada would vote "yea."

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Washington [Mr. MAGNUSON], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] and the Senator from West Virginia [Mr. KILGORE] are detained on public business.

The Senator from Kentucky [Mr. BARKLEY] and the Senator from Florida [Mr. PEPPER] are unavoidably detained.

If present and voting, the Senator from Kentucky [Mr. BARKLEY], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], and the Senator from New York [Mr. WAGNER] would vote "yea."

The result was announced—yeas 49, nays 32, as follows:

YEAS—49

Aiken	Hoey	O'Connor
Ball	Holland	O'Daniel
Brewster	Johnson, Colo.	O'Mahoney
Bridges	Johnston, S. C.	Overton
Buck	Knowland	Robertson, Va.
Byrd	Lodge	Russell
Chavez	Lucas	Saltonstall
Connally	McCarran	Smith
Cooper	McClellan	Sparkman
Donnell	McFarland	Stewart
Flanders	McGrath	Taylor
Fulbright	McKellar	Thomas, Okla.
George	McMahon	Thomas, Utah
Green	Maybank	Tobey
Hatch	Millikin	Umstead
Hayden	Murray	
Hill	Myers	

NAYS—32

Baldwin	Ferguson	Revercomb
Bricker	Gurney	Taft
Brooks	Hawkes	Thye
Butler	Hickenlooper	Vandenberg
Cain	Ives	Watkins
Capehart	Jenner	Wherry
Capper	Kem	Wiley
Cordon	Langer	Williams
Dworshak	McCarthy	Wilson
Ecton	Moore	Young
Ellender	Reed	

NOT VOTING—14

Barkley	Magnuson	Robertson, Wyo.
Bushfield	Malone	Tydings
Downey	Martin	Wagner
Eastland	Morse	White
Kilgore	Pepper	

So Mr. TOBEY's amendment to the first committee amendment on page 2 was agreed to.

Mr. TOBEY. Mr. President, I move to reconsider the vote just taken.

Mr. FULBRIGHT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The CHIEF CLERK. On page 2, it is proposed to strike out beginning with line 21, as follows:

SEC. 2. The Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any other product over which control is authorized by this act prior to its expiration when in his judgment the supplies of sugar are sufficient to warrant such action.

And to insert in lieu thereof the following:

SEC. 2. Prior to the expiration of this act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this act when he determines that the supplies of sugar are sufficient to warrant such action.

The amendment was agreed to.

The next amendment of the committee was on page 3, line 24, to strike out the following:

(c) So much of the unexpended balances, appropriations, or other funds available for the use of any agency in the exercise of the functions transferred by this act as the Director of the Bureau of the Budget shall determine shall be transferred for use in connection with the exercise of such functions.

And to insert the following:

(c) So much of the unexpended balances of appropriations, allocations, or other funds, and the property available for the use of any agency in the exercise of any function transferred by this act or for the use of the Secretary of Agriculture in the exercise of any function so transferred as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of such functions. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred, against such balances of appropriations, allocations, or other funds prior to the transfer. Such personnel as required may also be transferred temporarily to the Department of Agriculture pending termination of the functions authorized hereunder. Any personnel so transferred shall not, by virtue of their temporary employment in the Department of Agriculture, acquire or be entitled to any right to employment in such department in connection with the exercise of any function other than a function transferred under this act. There are authorized to be appropriated to the Secretary of Agriculture such sums as may be necessary to carry out the provisions of this act.

Mr. TOBEY. Mr. President, with reference to this amendment, it is to take care of veterans and the civil service rights of the transferees from the OTC to the Department of Agriculture under the legislation being considered. I offer as an amendment to it an amendment which has been printed and is on the Senator's desks, and which I ask to have stated.

The PRESIDING OFFICER. The Clerk will state the amendment.

The CHIEF CLERK. In the committee amendment, on page 4, line 20, after the period, it is proposed to insert the following:

The annual and sick leave of personnel so transferred shall be transferred with them; and they shall be entitled to the benefits of section 14 of the Veterans' Preference Act of 1944 to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such functions.

Mr. REVERCOMB. Mr. President, may we have an explanation from the Senator of New Hampshire as to just what that means? It says they "shall be entitled to the benefits of section 14 of the Veterans Preference Act of 1944." Does that mean that the Veterans Preference Act applies in any way other than to veterans?

Mr. TOBEY. It has no such implication. The purpose of the amendment is merely to insure to the men who are veterans, and who are employees of the OTC, that their rights as such under veterans' legislation and civil-service laws would be the same as if they had never been transferred.

Mr. REVERCOMB. It applies only to veterans?

Mr. TOBEY. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. TOBEY] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The Clerk will state the next amendment of the committee.

The CHIEF CLERK. On page 5, line 5, after the word "heretofore", it is proposed to strike out the word "used" and insert the word "issued."

The amendment was agreed to.

The next amendment was, on page 5, line 6, before the word "referred", to strike out the word "act", and insert in lieu thereof the word "acts."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the amendments of the committee.

Mr. McCARTHY. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The Clerk will state the amendment.

The CHIEF CLERK. It is proposed on page 2, line 7, to strike out "March 31, 1948", and insert in lieu thereof "October 31, 1947, except that authority to continue inventory controls over other than household users may be exercised to and including March 31, 1948."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. McCARTHY].

Mr. McCARTHY. Mr. President, will not the clerk read the remainder of the amendment?

The PRESIDING OFFICER. The Chair rules that the other amendments are separate amendments. Does the Senator desire to have them read for information?

Mr. McCARTHY. I should like to have them read for the information of the Senate.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The CHIEF CLERK. Immediately before section 3, on page 3, it is proposed to insert the following:

(6) Not less than 40 pounds of refined sugar shall be allocated during the period from April 1, 1947, through October 31, 1947, to each person in the United States for home consumption, to be made available as follows:

(i) Not less than 10 pounds shall be made available for purchase from April 1, 1947, through June 30, 1947;

(ii) Not less than 20 pounds shall be available for purchase from July 1, 1947, through September 30, 1947; and

(iii) Not less than 10 pounds shall be available for purchase from October 1, 1947, through October 31, 1947; and

(7) In the event the quantity allocated to nonprovisional industrial users during any portion of the period from April 1, 1947, is increased above the base allocation of such users the quantity herein required to be allocated for home consumption during such portion of such period shall be proportionately increased. For the purposes of this act nonprovisional industrial users means industrial users who, as of February

18, 1947, were allocated sugar on the basis of use during a base period; and

(2) Base allocation with respect to any interval of time means 75 percent of the quantity of sugar used by such nonprovisional industrial users during the corresponding portion of the base period.

Insert immediately prior to section 2 the following:

(b) Notwithstanding the provision of any other law the Secretary of Agriculture in exercising the allocation and rationing authority transferred to him by section 2 of this act shall in a manner consistent with the maintenance of effective national allocation and rationing program, provide for the needs of hardship cases, for the needs of new sugar users, and for the needs of those who have no base period history.

Mr. LUCAS. Mr. President, am I to understand that the Senator is offering a series of amendments, or a substitute for the bill?

The PRESIDING OFFICER. The Chair will say to the Senator from Illinois that there are two separate amendments. One proposes to change the date as it appears in the joint resolution as reported by the committee, and the other makes substantial changes in the committee's proposal with reference to the handling of the entire matter.

The Chair would ask the Senator from Wisconsin if he desires to request unanimous consent for the consideration of the two amendments as one? They are related.

Mr. McCARTHY. I should prefer to consider them as one, and I would like to ask unanimous consent that the two amendments may be considered as one.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin to consider these two amendments as one?

Mr. ROBERTSON of Virginia. Mr. President, I should like to make an inquiry to see if I understand the ruling of the Chair. We have adopted an amendment providing for an allocation for domestic use of 35 pounds of sugar. I understand that the distinguished Senator from Wisconsin now seeks to change that amendment, which was adopted, by raising the allocation to 40 pounds, and making it compulsory.

The PRESIDING OFFICER. As the Chair understands the amendment, the Senator is correct.

Mr. ROBERTSON of Virginia. I make the point of order that the amendment for a compulsory allotment of 40 pounds is not in order.

Mr. McCARTHY. Mr. President, may I point out to the Senator that the second part of my proposed amendment, dealing with the allocation of sugar, will not be in order, unless the first part of the amendment is adopted. If we adopt that part of my amendment which changes the termination date of rationing from March 31, 1948, to October 31, 1947, then there is nothing contradictory in the amendment which I now propose, and the amendment which has been adopted, for the reason that—

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. McCARTHY. Let me finish, please—for the reason that the Tobey amendment calls for a minimum of 35

pounds for the entire year. My amendment calls for a definite amount of 40 pounds during a certain period of that year. It in no way conflicts with the amendment offered by the Senator from New Hampshire. If he set a maximum requirement, there would be a conflict.

Mr. ROBERTSON of Virginia. Mr. President, with all due deference to my distinguished colleague, I do not agree with his position, but in the event his position should be correct, I would be compelled to ask for a separation of the amendments, and that the vote be taken first on the proposal to fix October 31, 1947, as the date for the termination of control.

Mr. McCARTHY. Mr. President, I have no objection to a separation of the amendments.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Nebraska will state his parliamentary inquiry.

Mr. McCARTHY. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Nebraska desires to propound a parliamentary inquiry.

Mr. WHERRY. As I understood, the Chair ruled that it required the unanimous consent of the Senate to consider the amendments as one.

Mr. McCARTHY. Mr. President, I withdraw the request that the two amendments be considered as one. I will withdraw that request so they may be taken up separately.

The PRESIDING OFFICER. The Senator from Wisconsin withdraws his request. The amendments he has offered will be considered separately. The question now is upon agreeing to the first amendment offered by the Senator from Wisconsin [Mr. McCARTHY].

Mr. LODGE. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The clerk will state the first amendment offered by the Senator from Wisconsin.

The CHIEF CLERK. It is proposed on page 2, line 7, to strike out "March 31, 1948", and insert in lieu thereof "October 31, 1947", except that authority to continue inventory controls over other than household users may be exercised to and including March 31, 1948.

The PRESIDING OFFICER. The question is on agreeing to the first amendment.

Several Senators asked for the yeas and nays, and they were ordered.

Mr. McCARTHY. Mr. President, I would like to be heard upon the amendment. I still have the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I might repeat—and I shall be very brief—that the Senator from Ohio [Mr. BRICKER] and myself, who very extensively studied the sugar situation, both feel that decontrol should take place as of now, and not as of next fall. However, a number of things have been pointed out to us.

First. The Senators who come from States where sugar beets are raised, and

Senators who come from States where sugarcane is an important industry, have pointed out to us that if we decontrol as of March 31 of this year, then any temporary price increase will inure to the benefit of the Cuban sugar producer, but that if we wait and decontrol as of October 31, then if there is any temporary price rise, the American beet grower and the American cane grower will benefit thereby. That is one of the reasons why we are willing to change the date of it.

Second. All the charts prepared by the Department of Agriculture, all the information which we have indicates that the consumer demand is at an all-time low on the 31st of October. The canning season has ended, the so-called Christmas cooking season has not begun, so that at that particular time of the year we can perhaps more safely decontrol than at the date originally suggested.

I would like to point out for the benefit of the Senators who were not here at the time this point was covered, that the OPA stated unqualifiedly that if and when we had 8,000,000 tons of sugar available we could decontrol. All the figures now show that we do have that amount available, and if any of the Senators want to inquire beyond that, as to the source of the figures, or where the sugar is available, I shall be glad to answer questions; otherwise I shall not take more time on this phase of the subject.

Mr. ELLENDER and Mr. TOBEY addressed the Chair.

Mr. McCARTHY. Mr. President, I yield to the Senator from Louisiana.

The PRESIDING OFFICER. The Chair understood the Senator from Wisconsin had yielded the floor.

Mr. McCARTHY. I have not yielded the floor. I will yield for a question.

Mr. ELLENDER. I do not desire to ask a question. I desire to speak on my own account.

Mr. McCARTHY. I am sorry. Then I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin yields the floor. The Chair recognizes the Senator from New Hampshire.

Mr. TOBEY. Mr. President, I shall not detain the Senate long, but this matter has been considered in the subcommittee, in the committee, and in the Senate. The Senate has adopted the Tobey amendment, and has fixed the allocation for the coming year. The date in the bill is March 31, 1948. Now, at the last hour, the Senator from Wisconsin, who has been trying to kill this bill from the very beginning, comes forward and offers this entirely radical change, which is exceedingly important. He would change the date to October 31 instead of March 31.

I desire to be heard to read four paragraphs from a letter which will show the lack of wisdom in the attempt that is now being made.

Stocks of sugar in the United States are normally at the lowest seasonal level in October. At that time the stocks of beet sugar have been exhausted in preparation for the new beet crop which begins to move in volume in November. Seaboard cane-sugar stocks are at a low level in October because of the heavy distribution during the heavy consumption months of July, August,

and September, and the distribution of the mainland cane crop begins in that month. The termination of controls on October 31 would come at a time when there is the least amount of sugar available to absorb the first shocks of decontrol and, therefore, could be expected to result in greater price fluctuations and more serious distribution troubles than at any other season of the year.

If it is known in advance that controls must be removed on October 31, as would be the case if the committee's resolution is enacted, it is almost certain that a considerable amount of sugar will be withheld from consumption channels in anticipation of decontrol on October 31 and higher prices immediately thereafter. Any sugar withheld from consumption would, of course, be in stocks in October, but October stocks still would be at the seasonal low point for the year. Such withholding would result in insufficient distribution of sugar during the heavy consumption season when orderly distribution is most important from the standpoint of saving the maximum quantities of perishable agricultural commodities.

It is questionable whether decontrol on October 31 would result in any considerable increase in the production of sugar this year. The certainty of decontrol on that date could not result in any increase in cane sugar production because new plantings of sugarcane will not be ready for grinding until after March 1948 at the earliest, and later in most areas. There might be a slight increase in the plantings of sugar beets but the amount of such increase would necessarily be small because it is anticipated that the price-support program already announced for 1947 crop beets will result in a production of beets almost equal to the capacity of the processing facilities. The small additional acreage which might possibly be planted in some areas would produce a very small quantity of sugar in relation to our total supplies for the year. Moreover, sugar beet growers have announced their support of an extension of controls until March 31, 1948, with a provision that the Secretary of Agriculture should remove controls at an earlier date if the supply of sugar warrants such action.

Mr. President, the last clause is extremely important. In the joint resolution which I believe the Senate is about to pass, the Secretary of Agriculture is directed to remove controls at the earliest possible moment when the supply makes it possible. That is his job. Not only is it mandatory, Mr. President, but the Secretary of Agriculture has given us his word, and his word is good. He is a gentleman and a man of integrity; and he desires to remove these controls just as soon as it is humanly possible to do so. I submit, Mr. President, that I have made out a case that October 31 is a dangerous time, and this expert testimony has given further strength to that case.

Mr. McCARTHY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Wisconsin?

Mr. TOBEY. Not until I am through. I am continuing my statement, I will say to the Presiding Officer.

The point I make, Mr. President, is that the job for us to do is to back up the committee which voted 10 to 3 to report the joint resolution favorably to the Senate. A small group of Senators has been trying all the way through to kill the measure.

Mr. McCARTHY and Mr. ROBERTSON of Virginia addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield; and if so, to whom?

Mr. TOBEY. I yield to the Senator from Virginia.

Mr. ROBERTSON of Virginia. I should like to ask the distinguished Senator if it is not true that even if there should be a slight increase this year in the production of beet sugar, distribution could not be made by October 31? It would run well past that date.

Mr. MCCARTHY. Mr. President, will the Senator yield to me on that point?

Mr. ROBERTSON of Virginia. I was asking the question of the Senator from New Hampshire.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Wisconsin?

Mr. TOBEY. I yield further to the Senator from Virginia.

Mr. ROBERTSON of Virginia. Is it not true that if there should be an increase in beet-sugar production this year the supply could not be distributed until early next year?

Mr. MCCARTHY. Mr. President, will the Senator not yield at that point?

Mr. TOBEY. I yield further to the Senator from Virginia.

Mr. ROBERTSON of Virginia. The Secretary of Agriculture said he could not distribute the increased production of beet sugar until early next year, did he not?

Mr. TOBEY. That is correct.

Mr. ROBERTSON of Virginia. So, if there should be a slight increase in sugar-beet production, we could not obtain the benefit thereof until early next year.

Mr. TOBEY. That is correct.

Mr. ROBERTSON of Virginia. Is it not also true that by decontrol as of March 31, 1948, we would have the prospect, perhaps, of additional sugar from Cuba, some sugar from the Philippines, some sugar from the Dutch East Indies, and from other sources that could not possibly be available if we decontrolled on October 31, which the Secretary of Agriculture said would be the time of the lowest ebb of our supply in this country.

Mr. MCCARTHY. Mr. President, will the Senator yield?

Mr. TOBEY. I wish first to answer the Senator from Virginia in the affirmative. I now yield to the Senator from Wisconsin.

Mr. MCCARTHY. I wish to cite authority on the point under discussion. I have been studying the matter for weeks. When the sugar crop will be available is important. I am glad the question has been raised. I shall speak of the Cuban crop first and then of the beet crop. According to detailed charts which have been prepared to March 1947, supplied by the Department of Agriculture, the Cuban crop commences to become available in large quantities late in February, and it continues on a fairly even keel until along in August and September.

The beet crop starts to become heavily available about the first of October. On the 31st of October it reaches the high point. By that I mean it is available not

to the refiners, but to the consuming public. It continues to drop off very heavily until the latter part of December. Then there is no noticeable available beet sugar until the following October.

So we do have that picture. The Cuban crop is available from February until late in August and September. Then there is a dropping off, and then we have heavy production from October until about the 18th or 20th of December. That is what is shown by the charts prepared by the Department of Agriculture on the subject.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. ROBERTSON of Virginia. I would say to my distinguished colleague from Wisconsin that all the testimony I have heard or read on this subject is to the effect that stocks of sugar in the United States are normally at the lowest seasonal level in October, and beet sugar cannot be distributed by that time. I will say further that it may be that some of the beet sugar growers might like to see a whirl of 25-cent or 30-cent or 40-cent sugar even for one fall. I remember what was called the Dance of the Millions in Cuba. I went down there after the price of sugar had dropped from 20 cents raw to nine-tenths of 1 cent raw, and saw the misery and suffering resulting from the inflation and the deflation, which wrecked the country. I am sure my distinguished colleague received a letter written by the representative of all the sugar-producing industries of Cuba begging us not to precipitate another disaster of that kind upon them, but to continue the control not only until this fall but until next spring.

Mr. MCCARTHY. Mr. President, will the Senator from New Hampshire yield to me at that point so I may say a word regarding the letter written by the Cuban producers?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Wisconsin?

Mr. TOBEY. If the Senator from Virginia has finished, I will be glad to yield to the Senator from Wisconsin.

Mr. ROBERTSON of Virginia. I do not think we can get very far in this matter unless we can agree on the facts.

Mr. TOBEY. I yield to the Senator from Wisconsin.

Mr. MCCARTHY. The Senator asked me a question. I should like to answer it. I saw the letter from the Cuban producers, and the full-page advertisement which the Cuban producers ran in the newspapers, and the high point in the letter was this:

They objected to doing away with sugar control, because it was contended that if we did so it might encourage the production of sugar in other parts of the world to the detriment of the Cuban sugar producers. I do not think we are here today to legislate to protect the Cuban sugar-beet industry.

Mr. ROBERTSON of Virginia. A 2-cent tariff will not protect sugar in this country if the price goes up, as the Secretary suggests, to 30 or 40 cents. What

would 2 cents mean? When the price drops it will ruin our beet-sugar and cane-sugar producers.

Mr. FLANDERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FLANDERS. Who has the floor.

The PRESIDING OFFICER. The Senator from New Hampshire [Mr. TOBEY] has the floor.

Mr. FLANDERS. I thank the Chair.

Mr. ROBERTSON of Virginia. Let me ask the Senator from New Hampshire this question: Does he believe that 1 year of high prices for domestic sugar could repay our domestic farmers for 4 or 5 years of depression if we were to stimulate the world production of sugar to the point where our present tariff would be no protection whatever?

Mr. TOBEY. The answer is "No."

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. FLANDERS. Mr. President, we have been hopping about in a maze of statistics—or rather a swamp of statistics, because from time to time we have set one foot on solid ground, but no more than one foot at any time.

Mr. MCCARTHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MCCARTHY. Does not the Senator from New Hampshire lose the floor if he farms out the time for speeches?

Mr. TOBEY. The Senator from Vermont is asking me a question. This is the preamble to the question.

Mr. FLANDERS. The question I am asking the Senator from New Hampshire is this—

Mr. MCCARTHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MCCARTHY. Has the Senator from New Hampshire lost the floor by farming out the time to the proponents of his measure and refusing to yield to other Senators?

The PRESIDING OFFICER. The Chair rules that if any Senator raises a point of order in that connection, the Senator to whom the floor has been yielded must ask a question or else subside.

Mr. MCCARTHY. Mr. President, I raise that point.

Mr. TOBEY. I suggest to the Senator from Vermont that he ask a question.

Mr. FLANDERS. Mr. President, I was about to ask a question, but it has been some time since I started to ask the question. This is the question—

Mr. TOBEY. Perhaps we had better vote.

Mr. FLANDERS. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. MCCARTHY] on behalf of himself and the Senator from Ohio [Mr. BRICKER]. On this question the yeas and nays have been ordered.

Mr. ELLENDER. Mr. President, I rise to speak in support of the pending amendment. The reason why I do so is

that I have on the desk an amendment in the nature of a substitute, which incorporates the amendment which is now before the Senate. The amendment, I may say, stands out as the main difference between the House bill and the Senate measure.

My substitute is not my own handiwork. It happens to be the bill which was passed by the House with very little opposition. Let me say at this point that since it is essential that the Congress take action on sugar legislation before the 31st of this month, which is next Monday, it might be a good idea for the Senate to adopt the House bill, which I have at the desk as a substitute for the measure now being considered.

Mr. President, I do not desire to delve at length in statistical data. Many figures have been submitted to the Senate pertaining to sugar consumption and production during the course of this debate. However, I ask the indulgence of Senators to listen to me so that I may present to them the world picture so far as sugar production is concerned.

The record shows that world production of sugar reached its lowest point since the beginning of the war in the 1945-1946 season. The production for that period was 26,692,000 tons, which was 77 percent of the prewar 1935-39 average production of 34,660,000 tons. The estimated production for 1946-47 season is 30,361,000 tons, which is 88 percent of prewar production. It can readily be seen that in one season after the war we have raised production to but 12 percent of our average 1935-1939 production and I have little doubt that during the 1947-48 season world production will be greater than the prewar 5-year average above referred to.

The greatest loss in sugar manufacturing occurred in countries which were ravished by war. For example, the European production decreased to 53 percent of the prewar average. The average production for Europe before the war was 10,366,000 tons which decreased to 5,494,000 during the 1945-46 season and by the 1946-47 season production had increased by almost 2,000,000, or 71 percent of prewar production. The same may be said of decreased sugar production in the Asiatic area, where the drop was more pronounced. For example, the production in the Philippine Islands before the war was in excess of 1,000,000 tons. In the 1945-46 season only 115,000 tons were produced and the estimate for the 1946-47 season is only 200,000 tons. It is expected that during the 1947-48 season there will be considerably more sugar manufactured.

I believe that the Congress should enact a law along the lines of the bill passed by the House. I believe that controls on sugar are necessary until October 31 of this year.

Our production in the Western Hemisphere has increased considerably since and during the war. As I pointed out a moment ago, production in the Asiatic portion of the world, as well as the European portion, was on the decline. But in North and Central America and in the West Indies the reverse was true. We might have expected a steady, nor-

mal prewar production, which most of us would have probably been satisfied with, but instead there was an increase of 11 percent in 1945-46 over our prewar average. Prior to the war the average production for North and Central America and the West Indies aggregated 8,745,000 tons, and in 1945-46 it increased to 9,606,000 tons. This season, 1946-47, the increase is 28 percent over the prewar average production, so that this year there will be produced in North and Central America and the West Indies an estimated 11,157,000 tons. All of this production has been on the incline, and I expect and anticipate that the increase will be much greater in all other sections of the world, so that the 1947-48 season will bring such an abundance of sugar so as to satisfy the requirements of all users of the commodity.

The main difference between the joint resolution which is now before the Senate and the House bill hinges on the time element involved in cutting off controls. The House bill provides, as does the amendment which is now before the Senate, for October 31 of this year as the period at which controls and rationing shall end.

As to inventory controls, both measures provide that the date at which they shall cease shall be March 31, 1948. That is a very important provision to retain in the bill that we finally pass. The principal reason for the retention of inventory controls is to make it impossible for large industrial sugar users to corner the market and load up with all the sugar in sight, and thereby defeat the housewife in obtaining her just share of the sugar which is available. They could buy large quantities during the next few months and store it for future use and the housewife may have to do without it for home use and canning purposes. Under this provision, as I understand it, the Secretary of Agriculture could limit the purchases of large industrial users to say a 30 to 40 days' supply.

I am certain that October 31 should be the period which this Congress should agree upon as the date on which to cease all controls and rationing. There are a number of reasons for that position, and I shall attempt to discuss a few of them.

First, the period during the year when sugar is purchased in greatest amount for all purposes is from the month of March on through the month of October of each year. There is a great demand for sugar not only by industrial users but also by housewives. More soft drinks, ice cream, cakes, and the like are consumed during the summer, a large amount of fruit is canned during the fall both by the large canneries and the housewife and therefore the demand for sugar is much greater.

If the Senate adopts March 31, 1948, as the date upon which to remove controls, my guess is that the sugar processors of continental United States and the sugar processors of Cuba, Hawaii, the Virgin Islands and Puerto Rico will not be inclined to send their products to this country, because there will be on the statute books a law which will result in producing higher prices after March 31. The natural inclination will be for them

to retain their sugar so that they can sell it on an uncontrolled and unrestricted market. That will be the consequence if March 31, 1948 is the date fixed by law.

In Louisiana we begin our sugar operations in October. The sugar-beet producers begin their operations, I understand, in the latter part of October and early November. Puerto Rico, Cuba, and all off-shore producers that supply our markets begin their operations in early January. I believe it goes without saying that those producers will hold back the sale of their product. Then who will suffer? The housewife. There will not be much sugar sold to consumers from new production between October when the new crop begins to be manufactured and March 31, 1948, when all rationing and price controls are removed. The result will be, I repeat, that most of the sugar that comes to this country or is produced here will be stored somewhere and not put on the market. There is a situation now existing which will be far different from that which will prevail after all controls are off. We can now better control the distribution of such sugar that we now have at our disposal. Why? It is because the Federal Government, through the Commodity Credit Corporation, has purchased the entire output of Cuban processors and the entire output of Puerto Rican processors and hence the distribution of sugar will have strings tied to it, as it were, and the Government is in position to see to it that sugars are equitably distributed and not hoarded. In other words, our Government will be armed with two methods of controls, one by virtue of the ownership of the greater portion of sugar for our requirements for this year and then rationing and price controls that will be voted by the Congress.

But after March 31, 1948, insofar as new sugar is concerned, there will be no such controls; and I can see the Cuban sugar manufacturers, the Puerto Rican manufacturers, and the Hawaiian manufacturers keeping all their new crop of sugar in warehouses in the hope that after March 31 they will be able to sell all of their crop on an uncontrolled market at nice, fancy prices. They know that we are dependent on them for our supplies, and it will be almost miraculous if they did not force us to buy at their own price.

Regardless of when controls are removed, we will necessarily have a little increase in the price; there is no question about that. But my argument is this: Why not permit the increase in prices at a time when consumers do not use much sugar? That would be accomplished by making October 31 as the date to end price and ration controls. Why remove controls in March, when that period is the beginning of the season when there is the greatest demand for sugar for all purposes, such as for soft drinks, for making ice cream, cakes, and so forth? What should be done, I repeat, is to remove controls when there is less demand for sugar, when prices would not take the spurt which they would take when there was a large demand for sugar. That is the theory upon which the House bill is predicated.

On the other hand, Mr. President, let us consider the farmers. If the Senate bill as now written is passed, the price paid to the farmers of my State and to those of Florida for every ton of sugarcane they produce will be paid on the basis of sugar sold on a controlled market. That is to say, the Florida sugarcane grower and the Louisiana sugarcane producer will have to sell their cane to manufacturers who will not be compelled to sell the cane sugar as soon as it is manufactured, but processors will be able to store all of it, if they wish to do so; but the price the farmers receive for sugarcane will be based on whatever the market price per pound happens to be under a controlled market. It happens that cane growers are paid on a basis of whatever the average price of sugar is between October 1 and March 1 of each year.

Mr. President, let us now consider the case of the sugar-beet growers. Their situation is slightly different from that of the sugarcane growers. As I understand, the sugar beet growers are paid on the basis of one-half of the gross receipts of the factory. If farmers sell to a large beet-sugar factory which can store the sugar it produces and can sell it over a period of 12 months, such farmers of course will reap the benefits under such a system. But in Ohio, Michigan, and other States there are many smaller factories which are unable to store their output, but must sell the beet sugar as it is produced, because they lack the finances or facilities to store and hold it. The farmers who sell to those factories will be paid on the basis of prices that are fixed and under control. I venture the opinion that they will be placed in the same category as Louisiana and Florida cane farmers.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ROBERTSON of Virginia. The distinguished Senator from Louisiana said that if we end this control on October 31, the price will go up. I assume, however, that he will agree with me that he would not want to see a period of boom and bust for the cane producers of Louisiana.

Mr. ELLENDER. Mr. President, in answer to the Senator's question I may say that I do not foresee more than a flurry. I do not expect prices to run wild, for the reason, as I said a while ago, that the period when we are to end controls will be at a time of the year when purchases of sugar or the use of sugar is at its lowest, and production will begin at its greatest. When November comes along all contractual sugar processors will be in full operation and then will be followed by offshore manufacturing. The Senator must not overlook the fact that but a small amount of sugar is produced after October 31 of each year is consumed in the year it is produced.

Mr. ROBERTSON of Virginia. Does the Senator know what the official representative of the cane producers told us in the committee as to whether this would be a small bust or a big one? Let

me read to the Senator just a paragraph from the record. This was the testimony of Clarence J. Bourg:

I represent the American Sugar Cane League and the Farmers and Manufacturers Beet Sugar Association.

The former is an association whose members are growers and processors of sugarcane in Louisiana, and the latter is an association of the growers and processors of sugar beets in the States of Michigan, Ohio, and Wisconsin.

We recognize, after making a very thorough study of the sugar statistical picture in the world as it affects the United States market, that this is not the appropriate time for discontinuing controls.

We are convinced that rationing should be continued beyond March 31, 1947, and price control will be necessary beyond June 30, 1947. Should either or both be discontinued, there would result a chaotic condition.

Not just a little flurry, said this witness representing the cane producers, but he said a chaotic condition would result. He was a representative of the producers of cane sugar, from the Senator's home State.

Mr. ELLENDER. Mr. President, I am in thorough agreement with the statement just read by the distinguished junior Senator from Virginia, because Mr. Bourg did not question the fixing of October 31. Mr. Bourg was talking about decontrolling allocations and rationing on March 31, 1947, and price controls on June 30, 1947. Of course, I agree with him. That is why today I am on this floor asking that controls be retained until October 31. Mr. Bourg said in his testimony that it would be fatal to many sugar producers—and I agree with him—to take off price controls on June 30 and rationing on March 31. Of course, I agree with him.

What I am arguing for is that we delay the decontrol date until October 31, when our consumption of sugar in this country is at its lowest point and when production is well on its way. That is what I am arguing for.

Mr. President, there is no question in my mind that it will mean chaos to the housewife after next January. I am not worried about the period up to December 31 of this year, because we have for distribution among the sugar consumers of our country for this year, 6,800,000 tons. That amount may be somewhat increased because of higher estimates of the Cuban production as was discussed today in the course of this debate.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. In just a moment. Of that amount, that is, the 6,800,000 tons, there is included a carry-over from 1946 of 1,450,000 tons. But with the increased production that is expected from Cuba, the inventory on January 1, 1948, will be 1,900,000 tons, rather than 1,450,000, as in January of this year. We may also expect some sugar from the East Indies.

Mr. ROBERTSON of Virginia. Is it not a fact that the Senate bill authorizes the Secretary of Agriculture to decontrol when he thinks conditions justify it, and will the Senator still stick with his rep-

resentative from Louisiana, who said this to us:

We have complete confidence in the Secretary of Agriculture and in the Director of the Sugar Branch of the Department of Agriculture. We are convinced that a transfer of the authority to them would result in the earliest practicable removal of unnecessary controls.

Mr. ELLENDER. I have complete confidence in our Secretary of Agriculture, but I do not have much faith in some of the advisers he has around him. When Mr. Bourg made that statement the Senate bill had written in it a fixed decontrol date of October 31, 1947, with the understanding that said date could be extended if the Secretary found it necessary to do so. I understand that language was deleted from the bill. On the other hand, Mr. President, I want to leave it to Congress to take action. I want Congress to say when controls are to be removed. Let us assert ourselves.

Mr. ROBERTSON of Virginia. The spokesman before us for the Senator's industry and the beet sugar industry told us just what I have read, and that is what we put into the bill, thinking that we had the highest source of information we could get.

Mr. ELLENDER. Mr. President, it is evident that the distinguished Senator from Virginia has based much of his study on the evidence he heard before the committee. He spent 2 or 3 minutes here reading from a statement made by a representative from the cane area with which I am in full accord and which is not inconsistent with my present position. What the representative from the cane area had in mind when he testified was based on the contents of the bill before him at the time. It is possible that the distinguished Senator is basing his views from the testimony on a bill that is somewhat different from the one now under discussion.

Mr. ROBERTSON of Virginia. If the Senator will yield for a suggestion, the Senator from Virginia spent 10 years as a member of the Committee on Ways and Means of the House of Representatives, and time after time he heard the sugar people, the beet-sugar and the cane people, who come before that committee on the subject of tariffs on sugar, and the distinguished Senator from Louisiana, I think, will agree with me that if he today had his choice between 100-percent increase in the tariff on sugar and the additional allocation of 500,000 tons under the Jones-Costigan Act, he would take the latter. The Senator knows his people need the control and that the tariff is not enough, and he knows that our previous experience was that uncontrolled prices will run the industry into serious trouble.

Mr. ELLENDER. The question raised by the distinguished Senator from Virginia has no place in this debate. Of course, I prefer the quota system to the imposition of tariffs. There is no question about that. But what I am arguing for—and I do not like to repeat it—is simply that we in America, who produce but 29 percent of our sugar requirements, are going to be at the mercy of

Cuban producers, as we were following World War I. Manipulators held the sugar back and sold it at whatever prices the traffic would bear. If we at this time should make the mistake of providing that controls should end on March 31 of next year, there is no question that Cuban and many other offshore producers of sugar would retain their supply of sugar with a view of selling it on an uncontrolled market, manipulating it so as to obtain high prices for it.

So I say to my colleagues, let us have controls end on March 31, when the consumption of sugar is at its lowest peak during the year, rather than when production starts and is at its highest. That is the way to handle the situation.

Mr. OVERTON. Will the Senator yield?

Mr. ELLENDER. I yield.

Mr. OVERTON. The Senator is saying March 31. Does he not mean October 31?

Mr. ELLENDER. I am sorry. What I intended to say is that the lowest period during the year of sugar consumption is during the latter part of October of each year.

Mr. OVERTON. That is correct.

Mr. ELLENDER. And the greatest production begins about that time.

Mr. OVERTON. The Senator is correct.

Mr. ELLENDER. That is what I intended to say and I thank my distinguished colleague for his correction.

Mr. OVERTON. That is all there is to it.

Mr. ELLENDER. Absolutely.

Mr. OVERTON. It is just as plain as can be.

Mr. DWORSHAK. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. DWORSHAK. I understand our Government has a contract with the Cuban sugar producers to take over most of their crop.

Mr. ELLENDER. Yes.

Mr. DWORSHAK. Is there not some provision contained in the agreement as to the price to be paid for the sugar?

Mr. ELLENDER. Yes.

Mr. DWORSHAK. Would not that provide protection against an uncontrolled price?

Mr. ELLENDER. I am not talking about next year's crop. So far as this year's crop is concerned, we are protected, because we have bought that sugar at a certain price, and it is under the control of the Commodity Credit Corporation.

We have also bought the Puerto Rican crop, and the Government controls that output of production, and it can so sell that sugar and dispose of it so as to prevent hoarding, and to compel a fair distribution of that supply.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. Mr. President, I do not desire to address the Senate any longer. I am going to reserve a little bit of my energy to debate the House bill when I offer it as a substitute to the pending Senate bill.

Mr. FLANDERS. Mr. President—

The PRESIDENT pro tempore. The Senator from Vermont has the floor.

Mr. ELLENDER. Mr. President, I had the floor.

The PRESIDENT pro tempore. The Senator yielded the floor.

Mr. ELLENDER. I was in the process of answering a question.

The PRESIDENT pro tempore. The Senator was in the process of yielding the floor, as far as the Chair could see. Will the Senator from Vermont yield to the Senator from Louisiana?

Mr. FLANDERS. I shall be glad to yield.

Mr. LANGER. I want to know who bought the Cuban sugar last year and the year before.

Mr. ELLENDER. The Commodity Credit Corporation bought the entire Cuban sugarcane crop this year, and under agreement reached with the International Food Control Organization, about a third of the entire crop will be sold to 14 countries, giving to them in some cases a per capita consumption equal to 75 percent of their prewar requirements, and in other cases as much as 90 percent; and we, under the agreement, are to obtain the remaining two-thirds of the Cuban crop.

Mr. LANGER. A further question to the Senator. Is that true of the crop this year?

Mr. ELLENDER. It is.

Mr. LANGER. We will only get from 10 to 12 percent?

Mr. ELLENDER. Oh, no; we get two-thirds of the Cuban crop. We get 3,146,000 tons out of an estimated production of 5,500,000. The rest of it goes to these various countries, as I indicated a moment ago.

Mr. FLANDERS. Mr. President, I want to address myself very briefly, because the position can be stated very briefly, to the question of the October 31 date. There are two troubles with the October 31 date. The first trouble is that on that announced date and in anticipation of it, for 2 or 3 months previously sugar will be withdrawn from the markets, just as much on October 31 as on March 31. It will be withdrawn in anticipation of higher prices subsequent to the removal of the controls. It will be withdrawn from the market during the canning season. It will be withdrawn during a month in which the stocks are the next to the lowest of any month in the year. September is the month of lowest stocks. October is the month of the next to the lowest stocks, and it is one of the months of medium production, neither the highest nor the lowest. But the principal thing I am emphasizing is that the release of controls on that date would leave the markets bare of sugar for household use for 2 or 3 months preceding.

That leads me to the second point which I wish to make, and this, it seems to me, is the most important point about the pending measure and the whole process of removing controls. It is this: The date of removal of controls must not be legislated; it must be administered. March 31, the date set in the committee's proposal, is not a date of relinquishing

controls. The Secretary of Agriculture is simply told "You must relinquish controls by March 31." Any date which the Congress sets as a date for relinquishing controls is an invitation to hoarding and to speculation and to market disorganization, and to inability of both housewives and of industry to get sugar. We must not, particularly if we consider ourselves to be friends of the American housewife, set legislatively the decontrol date, and by all means, we must not set October 31 as the decontrol date. A worse date for the housewife of America could by no means be picked even by some satanic group interested in disrupting our home economy in this country. It is the worst possible date.

I beg of the Senate not to legislate a date of decontrol. Let that come from the Administrator, like a stroke of lightning from Heaven. That is the only way the thing should be done.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

Mr. BUTLER. Mr. President, I have been waiting for several days to make a few brief remarks on the subject of sugar legislation. I regret that it has been necessary to attend committee meetings, both morning and afternoon, to such an extent that I have not been able to keep in constant touch with the debate here on the floor; but I am certain that the few remarks I wish to make in defense of the October 31 date will be appropriate at this time.

The joint resolution as reported by the Senate committee sets a date of March 31, but I consider the House version, setting the date of October 31, much the best in the interests of the people of our country.

Mr. President, in my judgment, one of the principal reasons why the people of this Nation voted to change the political control of both the House and Senate was the desire to get rid of all these unnecessary wartime controls. The people discovered last summer that continuation of controls meant continued shortages. They voted to get rid of those controls just as rapidly as possible. We have a clear mandate on that point.

For that reason, I am frankly very reluctant to vote for any extension at all of these controls on sugar. I am willing to do so only for a very short period of time, and only because it is clear we cannot correct the mistakes of many years in a few weeks.

In my opinion it is ridiculous that there should still be a shortage of sugar in March 1947—over 18 months after the end of the fighting. If prompt energetic steps had been taken by the Administration to meet this situation by expanding sugar production, these controls could be wiped out immediately. Such steps were not taken. We still have a sugar shortage. We must face that fact and give the sugar industry a few more months to recover. For that reason I believe we must extend the controls for a short period in the interest of avoiding a run-away market that would do no one any good.

Nevertheless it is important to get rid of the controls as soon as possible. There will never be a perfect time to wipe them out. I say that because I am convinced that disruptions and shortages will continue as long as the controls continue. It is the control program which has kept sugar production from expanding to meet our needs. Controls cause shortages. We saw that proved last year in the case of meat and many other commodities. It is even more true with respect to sugar. Price control has prevented farmers from growing all the sugar we need, since the returns to them on other uncontrolled crops were far more profitable.

In fact, in some parts of the country, on sugar-beet land, farmers are growing potatoes which we do not need and which may eventually be sold to the Government and left in the field to rot. The prices that have been set by our economic planners have led them to grow potatoes we do not need instead of sugar that we do need. That has been the result of Government planning. It is a situation that will not be corrected until we encourage the farmers to expand to meet our requirements.

If controls are to be lifted on October 31 by legislation that we pass this week it will serve as a clear announcement to our farmers that they can depend on receiving a profitable price for all the sugar they want to grow. Planting of sugar beets has not been completed in most parts of the country, but it will be very soon. In other words, this proposition is a matter of telling our farmers now that we want them to expand their sugar acreage just as rapidly and as much as they can. If we extend these controls until next March, the domestic sugar producer will have practically all his 1947 sugar sold before that time. He will know that he will have to sell at the present fixed price or something very close to it. It will serve clear notice on him that the Government does not want or expect him to increase production. If we do tell him any such thing as that, we can hardly blame him for drawing his own conclusions and turning his acreage to beans and potatoes.

Mr. President, in this connection, I wish to say that from the newspapers of the last 2 or 3 days which have come to me from Nebraska, I have this little clipping:

THIRTY-FIVE THOUSAND SIX HUNDRED AND EIGHTY-NINE ACRES OF BEETS SEEN—NORTH PLATTE VALLEY CROP MAY BE UP 20 PERCENT

SCOTTSBLUFF, NEBR.—A total of 35,689 acres of sugar beets have been contracted so far in the North Platte Valley, exclusive of the Wheatland (Wyo.) district, P. H. McMaster, general manager of the Nebraska district of the Great Western Sugar Co., said Saturday.

This represents an increase of 20 percent on the same farms and farms which did not grow beets a year ago.

"If this same percentage of increase continues throughout the contracting season, from 54,000 to 55,000 acres of beets will be planted in the valley this year," he said.

Some farmers plan to start planting late this month. Some beet labor already is arriving and other groups are en route from Texas. Mr. McMaster said the company would be able to provide all necessary labor to growers.

Contracting will be completed in about 10 days.

That is in the first irrigation district that was ever completed in the United States, in the North Platte Valley.

Another news item deals with Alliance, which is located on high ground irrigated by pump irrigation. I read from the Nebraska Farmer of March 15, as follows:

NEBRASKA'S CHAMP SUGAR PRODUCERS

The Koester brothers, of Alliance, are the champion sugar producers of Nebraska. They have won the title seven consecutive years.

The brothers produced a total of 294.1 acres that yielded an average of 16.19 tons per acre with a total sugar production of 1,464,532 pounds. Harold Ledingham, of Mitchell, was the reserve champion with 795,925 pounds produced on 146.31 acres that averaged 20.13 tons per acre.

Phillip Schriener, of Haig, is the champion sugar-beet producer in the State. He produced 25.75 tons of beets per acre on 20.99 acres. Jack Gempert, of Mitchell, is the reserve champion producer with an average of 25.24 tons per acre on 19.04 acres.

Mr. President, those figures are given, as I stated, in order to show the importance of increasing the acreage as early as possible, and that increased acreage will come as a result of the announcement that the closing date on controls will be on October 31 this year. I am speaking from the standpoint of the producer, and it is the producer who is going to answer our sugar problems, and not the consumer.

There are other important reasons for preferring the October date. During the past few months, it has become clear that the world-wide sugar picture is not nearly so black as it has been painted. Just a few months ago, the administration was predicting a Cuban sugar crop of only 5,000,000 tons. Then recently that estimate was increased to 5,500,000 tons. Now the latest reports are that Cuba will produce this spring more than 6,100,000 tons. It is clear that our department experts have been too pessimistic about sugar prospects all along. I do not charge that these underestimates have been due to a desire to extend controls and maintain the present bureaucratic regimentation. I do suspect, however, that it is in the nature of a bureaucrat always to seek out and find some excuse for maintaining and increasing Government regulations. The whole case for control was based on the assumption of an extreme shortage. We now find there are over a million tons more than we thought there were. Most of the case for continuation of control has therefore vanished.

Another argument for early decontrol is the availability of substantial amounts of free sugar in various parts of the world. Cuba, for example, reserved 300,000 tons out of her supply to sell to her other customers in Latin America and elsewhere. I believe she has had some difficulty in finding a market for this sugar at the prices she wants. If our prices go a little bit higher, it may come here. The same is probably true of sugar from several smaller supplying countries. I suspect we shall find that a good deal of sugar will come out in the open for sale if prices are lifted slightly. At the

present time it is a good speculation for any country to withhold sugar off the market and wait for the end of controls. Once controls are removed, that speculative motive will disappear.

In this connection I want to say that within the last 2 or 3 days I had a conversation with a gentleman whose business it is to distribute sugar in the wholesale market. He told me that the sugar is backing up on the grocers' shelves, and I am sure that Senators who have sugar coupons are going to have no difficulty in obtaining the sugar represented by them two or three times over if they happen to pick up extra coupons in the near future. Sugar is not moving at the present time from the retail shelves.

Frankly, if we do not definitely decide to get rid of the controls this year, we shall be faced with the very same problem at the beginning of next year. The Department of Agriculture has never given us concrete assurance that there will be all the sugar we want even next spring. I do not know whether there will ever be enough sugar to supply every country in the world with all the sugar it wants. I see no logic in keeping controls for another year or two or three in the hope that some day there will be sugar to supply every country with enough sugar to bring it up to the American standard of consumption. Most of the other countries buying sugar in competition with us are using our money to do it with, anyway. I repeat, we do not dare extend these controls until next year when we know we will have to face this same problem again and decide, under pressure, whether to keep the controls on until 1949.

It is worth remembering a few of the panicky predictions that were made last year when we were considering price-control legislation. It is worth remembering that butter did not go up to a dollar a pound and stay there; that meat is now available for far less than the black-market prices of last summer. We owe it to our belief in the American way of doing business to get rid of the controls on one more American industry at the earliest possible date. If we really believe in our own system, we can hardly do otherwise.

One point I have hardly touched on is the importance of this subject to the agriculture of the irrigated sections of the Middle West and the West. Sugar production in the United States has been controlled, discriminated against, and held down ever since 1934 by quotas which prevented our farmers from producing enough to fill our needs. We saw the unfortunate effects of this policy when the war broke out. Sugar was the first thing of which a shortage appeared. Quotas restricting our domestic production were lifted at that time, but the price controls and priority regulations effectively prevented our farmers from expanding to meet our needs. The history of sugar during the war was one of consistent favoritism to foreign producers at the expense of our own farmers.

Now that the war is over, it is high time we get to work and expand domestic beet production. This measure is one

important step in that program. Another important step will be revision of the quota legislation which has prevented construction of new beet-sugar factories. In my own State we could easily produce enough beets to supply four or five additional sugar factories if the quotas can be increased or removed. I am hopeful that we can consider such a change when the question of reviewing the Sugar Act comes before us later on in the session. Meanwhile, the best thing we can do for both the consumer and the producer is to get rid of these controls as soon as possible. That will permit the housewife to buy as much or as little sugar as she cares to. If she is used to canning her own fruit, she can obtain the sugar with which to do it, and avoid paying the very high prices for commercial jams and jellies. Decontrol will thus bring down any unreasonable prices for such manufactured products. It will permit the housewife to preserve her own fruit instead of forcing her to buy commercial goods. At the same time, it is the only way to stimulate production and to thus get rid of the shortage completely, if there is a shortage. It will stop the nonsense of paying farmers to produce too many potatoes on irrigated land that should be producing sugar. It will help restore domestic beet and cane production to a point where we can rely on it as a source of supply in case of emergency. It will definitely strengthen the agricultural economy in States having irrigated farms. It will return one more industry to the American people, and remove that industry from continued control of the economic planners.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. BUTLER. I yield.

Mr. LANGER. Do I correctly understand the Senator to say that the champion sugar raiser in his State produced only 24 tons to the acre?

Mr. BUTLER. The figure I read was close to 26 tons to the acre.

Mr. LANGER. Was that the best that was done?

Mr. BUTLER. That was done by the champion farmer in that area. I presume that in the Red River Valley there may be isolated farms that can compete with that record.

Mr. LANGER. We have a great many farmers who raise 30 tons to the acre. Sinner Brothers at Casselton produce 30 tons. I was interested in what the Senator had to say about new plants. Have contracts been let for new plants?

Mr. BUTLER. They cannot be let until those investing in the plants can be assured of a quota to maintain the plants.

Mr. LANGER. That is our trouble in the Red River Valley. The farmers are willing to raise sugar beets, but there is no place to dispose of them. The existing plants are already operating to capacity, and there is no money to build new plants.

Mr. BUTLER. The situation in Nebraska is a little different, because we have some idle plants in areas where sugar acreage has dropped, which we wish to remove to areas where sugar production is under way.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. MAYBANK. I was very much interested in what the Senator from Nebraska said in connection with the increased amount of sugar in Cuba, to the effect that if the market price went up a little we would be able to buy more of it.

Mr. BUTLER. I made the statement that I thought a slight advance in the price of sugar might bring an increased movement.

Mr. MAYBANK. And that the United States would probably benefit?

Mr. BUTLER. The Cubans, or whoever is handling their sugar for them, set aside 300,000 tons to take care of the demand in addition to what they sold in the United States. They are having difficulty in disposing of those 300,000 tons, and my statement was that ultimately some of it would probably come to the United States.

Mr. MAYBANK. Is not that difficulty occasioned by agreements in the UNO, in which the allotments of Cuban sugar were prorated?

Mr. BUTLER. I am unable to answer the Senator's question.

Mr. MAYBANK. I believe that there would be some additional Cuban sugar sold if the price were increased, but there was one point that impressed me very much as a member of the subcommittee, and which I have not yet heard discussed. If the Commodity Credit Corporation and the various other Government agencies dealing with Cuba are discontinued, there are some countries in the Old World which still have a great deal of gold, namely, Sweden, Switzerland, and France. With the competition which we would find from them there would eventually come into existence black markets in Europe which would be just as bad as the black markets under the old OPA, which the Senator and I both voted to do away with in connection with meat. When we come into competition with the gold credits of Sweden, Switzerland, and some other European countries, we shall find that the only sufferers will be our old friends, who spent everything in this war, and who perhaps need some small allotment.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. TOBEY. Does the Senator from Nebraska realize that the 300,000 tons of sugar to which he has referred as being reserved by Cuba for its own use will be sold to South American countries if it is not used in Cuba, and then, as the Senator stated, it would come to the United States? When that happy occasion arises, let me assure the Senator with great pleasure that it will then go to the housewives pronto.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. McCARTHY. The contract provides that if Cuba does not use her 350,000 tons, we are to get it. That is in the contract, as set forth on page 38 of the hearings.

Mr. TOBEY. The Senator realizes that Cuba has obligations to South

American countries to supply them with sugar.

Mr. McCARTHY. We are speaking of the 350,000 tons reserved for Cuban use, to the extent that Cuba does not use it.

Mr. TOBEY. Under the Tobey amendment, it would go to the housewives at once.

Mr. McCARTHY. We are not arguing the Tobey amendment. There is an item of 300,000 tons of export free sugar that can go anywhere. Ordinarily, it would go to South America, except for the fact that this year Argentina, Peru, and Brazil have a surplus of sugar.

Mr. FERGUSON. Mr. President, I wish to take a few moments of the time of the Senate on the subject which is now before it, namely, sugar legislation. I wish to speak to the point that, in my opinion, the date for the termination of controls should be October 31. I have tried to ascertain the facts from those who are familiar with the subject and who know what the facts are, and I wish to say a few words on the facts. October 31 each year comes exactly at the peak of the beet sugar production in the United States. The beet sugar harvest begins as early as July in California, and all beet areas are in production by October 1.

Likewise, the mainland cane production in Louisiana begins in the first week of October, so that deliveries of sugar are being made regularly by October 31 and in substantial amounts.

Based on the 1947 estimates of 1,700,000 tons of beet sugar and 500,000 tons of cane sugar, the production of beet and cane sugar at the October 31 date within the United States would average about 200,000 tons per week.

We must not lose sight of the extremely important fact that the 1947 crops of Cuban sugar and Puerto Rican sugar have been bought by the Commodity Credit Corporation. True, considerable part of this volume will have been delivered by October, but the remainder will be sugar that belongs to the United States Government. The fact of Government ownership will have a stabilizing effect, because the distribution of sugar can be controlled and supervised in an orderly manner. The possibility of speculation in sugar or the possibility of withholding sugar from the market would be reduced to its lowest point in October.

The situation would be completely reversed in March 1948. The Government would own no Cuban sugar or Puerto Rican sugar, and would have very little influence, therefore, upon the orderly distribution in the first 3 months of 1948. In fact, I am told by people in the sugar industry that the prospect of serious withholdings from the market would be very much greater in the first 3 months of 1948, than it could possibly be in September and October. The reason is obvious, because in October the insular production will have been largely delivered to refiners under Government direction and the remaining supplies of sugar will continue under Government control until December 31.

In addition, the Department of Agriculture has announced the intention to

build up the year-end stocks from 1,400,000 tons at the beginning of 1947 to 1,900,000 tons at the end of 1947. This reserve or surplus of 500,000 tons would provide additional means of Government protection against speculation, withholding, or disorderly marketing.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Wisconsin [Mr. McCARTHY] and the Senator from Ohio [Mr. BRICKER]. On this question the yeas and nays have been ordered.

Mr. O'DANIEL. Mr. President, I wish to say a few words with reference to the bill which is before the Senate, but not particularly in reference to any of the amendments.

For the benefit of Senators who did not hear me last summer when I spoke against OPA and price control, I will say that I am still against price control, regimentation, and regulations governing the lives of American citizens during peacetime.

However, I wish to say that at that time, last July, I tried to express in the Senate the voice of the people, by reading on the floor of the Senate hundreds of telegrams and letters which came to me from people who were pleading that the Senate abolish OPA and price control. Unfortunately, my brother Senators did not seem to hear the voice of the people as I then expressed it. Fortunately, however, the keen political, analytical mind and ears of President Truman were quick to recognize and hear the voice of the people, soon after November 5—either he or his advisers did so—for quickly he issued an order abolishing practically all price controls, except rent control, sugar control, and rice control. I am very happy that such controls now have simmered down to the control of only those three commodities—rents, rice, and sugar.

I suspect there is very little chance of eliminating sugar control at the present time; but I desire to voice my resentment of it as well as my opposition to it. As I have said, I am not interested in any of the amendments, except of course I shall vote for any amendment which will bring closer the day when price control on sugar ends; and if I am given an opportunity to do so, I shall vote against continuation of price control on sugar, regardless of how the bill for the control of sugar may be amended.

However, inasmuch as it appears to me that the control of sugar may be continued, I wish to direct my remarks to the absurdity of the entire program and the humiliation which has been visited upon the citizens of my State by the New Deal bureaucrats who have endeavored to enforce the control of sugar in Texas. The main objection which is coming from the citizens of Texas at the present time is that most of the housewives and other consumers of sugar, including also the manufacturers and the large commercial users of sugar in Texas, are forced to buy their sugar on the black market, and the price on the black market is rather high.

Mr. President, if I may have the attention of the Senator from New Hampshire, I should like to propound several

simple questions. I wish to know whether he has detected in the pending measure any provisions which would take care of the black marketeers in sugar.

Mr. TOBEY. That is an administrative matter in the hands of Mr. Anderson, Secretary of Agriculture.

Mr. O'DANIEL. Is the pending measure any different in that respect from the measure which it is intended to supersede?

Mr. TOBEY. Not in any degree.

Mr. O'DANIEL. Then that leaves us with the information that no provision has been deliberately inserted in the bill to take care of the black marketeers in sugar.

My next question is: Did any evidence or any testimony appear before the Banking and Currency Committee to indicate how the black marketeers obtain the sugar which they sell at high prices?

Mr. TOBEY. I do not believe so.

Mr. O'DANIEL. It seems to me that there must be some loophole somewhere, because in Texas there is a flourishing market for sugar in the black markets.

Mr. TOBEY. The trouble with the black market, Mr. President, is that we hear a great deal about it; but when we wish someone to come forward and say, "Thou art the man," and to fix the guilt personally, such persons are conspicuous by their absence. Does the Senator from Texas agree?

Mr. O'DANIEL. I agree.

To illustrate my point a little better than I have so far, I wish to read a letter which I have received from the H. O. Wooten Grocer Co., of Abilene, Tex. It is a large wholesale grocery concern, which under normal conditions would deal in sugar; at least it deals extensively throughout west Texas in other groceries. The letter reads as follows:

ABILENE, TEX., February 18, 1947.

Hon. W. LEE O'DANIEL,
Senate Office Building,
Washington, D. C.

DEAR SIR: The present situation on sugar has become unbearable for the wholesale grocer and also the retail grocer. The low ration allowance for the consumer in 1946 caused the housewife to devise all kinds of methods for counterfeiting sugar stamps. Retailers over our entire territory have had sugar stolen from them, and at the present time both their allowable inventory and our allowable inventory are depleted to the point that they and we are both unable to continue to supply sugar to the consumer on legitimate claims made by valid ration stamps.

Some plan should be worked out immediately, and we do mean immediately, to allow the wholesaler and retailer to revise their allowable inventory and get back in the sugar business. At the present time most of the sugar available in this territory is through black-market channels. We hope that you can take steps that will bring relief at once.

If you need further information in regard to this critical situation, please advise us by return air mail.

Yours very truly,

H. O. WOOTEN GROCER CO.
T. W. PEARCE.

Mr. President, if no provision has been made for taking care of the black marketeers in sugar, and if the pending measure is substantially the same as the law now in effect, there must be some loophole by which the black marketeers

get the sugar they sell. I should like to ask the chairman of the committee on what basis the allotment of sugar to housewives and individual users of sugar was arrived at. How did you arrive at the amount which each housewife would be entitled to receive under the law?

Mr. TOBEY. We did not arrive at that as a committee. We had the testimony of Mr. Anderson, Mr. Marshall, and the other sugar authorities. We discussed the world supply and the supply which is allocated to this country by the world organization, with which doubtless the Senator from Texas is familiar, under which we buy the Cuban sugar crop and then allocate it to other nations, as well as to ourselves, and then we have so much sugar—let us say 6,000,000 tons. That is allocated between the commercial users and the housewives. The commercial users are receiving slightly more than 50 percent of it and the housewives are receiving slightly less than 50 percent. So much for the allocations.

Doubtless the Senator from Texas is familiar with the amendment which has been adopted by the Senate, which allocates to the housewives 35 pounds of sugar on a firm definite basis, with the provision that all that is available in addition to that amount shall also go to the housewives.

With respect to the black markets, the following has been pointed out in the course of the committee hearings:

We have had our investigating staff trying to run down a few of those. Some of the industrial users have also helped us in trying to run some of those down, and everyone of them to date that we have run down has just evaporated into thin air. When you call one of those fellows and ask, "Where is this sugar," the answer usually is, "Well, I cannot talk to you about this over the phone." "All right, I will come to your office." "No; I cannot do that. I will come to your office."

And then they come to the investigator's office or to one of the industrial users, when he is doing this for us, and they just do not have the sugar, and why they are putting out such feelers, I have not the slightest idea, because it costs money to publish an ad. It costs money to do the cabling back and forth that is usually done in connection with one of those transactions.

But in every case we have investigated, and we have investigated several of them, there is not anything in back of it.

Senator BRICKER. They are doing it just for fun?

Mr. MARSHALL. Maybe someone is doing it who is being duped with the understanding that there may be some sugar to be obtained. If there is any such sugar, it is bootleg sugar and Cuba, the Cuban Government, does not know anything about it, nor do we, because we bought their sugar crop in its entirety, with the exception of the amount needed for their local consumption, and specific reservations for free export, all of which is accounted for to us.

If there is any other sugar available for shipment, it is bootleg shipment.

Senator BRICKER. Have you any amount of black market, or any estimate of black-market sugar in this country?

Mr. MARSHALL. No, I have not.

Senator BRICKER. You hear rumors about it all of the time.

Mr. MARSHALL. I think in relation to the volume of sugar, it is very low, that is as to the amount distributed, although you hear several rumors about it.

We are distributing at the rate of 5,600,000 short tons last year and 6,800,000 this year. The percentage of total volume is bound to be low, and much lower this year with the increase of over a million tons.

Senator BRICKER. You do not think it is enough to pay much attention to or make any appreciable difference in the market?

Mr. MARSHALL. I do not think so. I think it should be run down in every possible instance, but in the total volume, I do not really think it is significant in affecting the supply.

That is the testimony about the black market which the Senator asked about, as given in the course of the Senate committee hearings.

Mr. O'DANIEL. I thank the Senator. He has stated that the allotment is based on an allowance of 35 pounds for each citizen of the United States.

Mr. TOBEY. Yes.

Mr. O'DANIEL. Is that to be the maximum amount which each citizen may acquire?

Mr. TOBEY. That is the mandatory amount—not the maximum amount, but the mandatory amount, based upon present allocations. But as I have said many times before, today—and I gladly repeat it—when, as, and if the supply which comes to the United States is increased, then all the amount which comes to the United States, according to the provisions of the Tobey amendment which now has been adopted, will accrue to and be passed on to the housewives, up to the point of 50 pounds per capita, which is the prewar consumption of sugar by households in the United States.

Mr. O'DANIEL. I understand the Senator on that point; and I think his amendment is a laudable one, and it gives to the housewives hope that they will get more sugar.

But, as I said a moment ago, I am trying to find whether the maximum amount is to be 35 pounds per person. Could any person get more than 35 pounds?

Mr. TOBEY. That is the minimum amount anyone could be given, 35 pounds.

Mr. O'DANIEL. Suppose a person wanted only 5 pounds.

Mr. TOBEY. He could get it, and give away the balance to some other person. He could be a good Samaritan. Others might be glad to receive it. I should be.

Does the Senator mean that if John Jones and Bill Smith were neighbors and John Jones wanted to use only 5 pounds, the Senator would like to know what he would do with the other? He would give it away, would he not?

Mr. O'DANIEL. What I am trying to find out is about the leak through which comes the black market sugar. If each citizen in the United States is entitled to acquire 35 pounds, and many of them do not acquire that much, many do not acquire any, some of them 5 pounds, some 10 pounds, none of them over 35—it would appear to me that there would result, if that took place, an abundance of sugar which had been allocated to the housewives, but not availed of by the housewives, and which would find its way into the black market.

Mr. TOBEY. That is human nature, and it is a bad feature of human nature.

If the Senator means, and poses the thought, that the people who have 35 pounds coming to them under the Tobey amendment might use only 10 pounds, and then sell the rest on the black market, of course they could if they were evilly inclined.

Mr. O'DANIEL. I do not mean that. If they are entitled to 35 pounds, and they desire only 10 pounds, that leaves 25 pounds left for some other person in the allocation which is to go to the domestic housewife. The accumulation of those small amounts from each of the 140,000,000 citizens, it appears to me, might well be finding its way through some channel into the black market.

Mr. TOBEY. The Senator realizes that if a person does not use the stamps which are good for sugar, the stamps are still good until they are canceled, and they are outstanding claims, an account receivable on the outstanding supply of sugar. There has to be sugar to balance the stamps which come into the bank.

Mr. O'DANIEL. The point I am trying to make is that under the allocation plan of the pending measure there might be a large volume of sugar which had been allocated for domestic use in the home which would not be called for by the domestic users. It appears to me that that sugar might get into the hands of the black marketeers. If that is the case, or if there is enough suspicion that that is the case, some provision should be made in the joint resolution, if possible, so that that additional quota would go to the housewives.

Mr. TOBEY. It will beyond peradventure go to the housewives. It increases the floating supply of sugar. But remember, they cannot get it as long as the stamps are outstanding. They are a first lien. If one should cancel his stamps, and should say, "I shall not use my sugar," the sugar would be apportioned out, on the next stamp date, to the other householders.

Mr. O'DANIEL. That may be true theoretically.

Mr. TOBEY. What does the Senator suggest? He goes around in a circle.

Mr. O'DANIEL. I suggest that we let the OPA and price controls die. I do not think there is anyone in Washington smart enough to devise a plan that will work out equitably as compared with the plan of taking off controls.

Mr. TOBEY. Of course, that is not the pending question. The pending question is on an amendment to change the date, and not to let the OPA die.

Mr. O'DANIEL. I am not speaking on the amendment. I am in favor of changing the date to the nearest possible time.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. O'DANIEL. I yield for a question.

Mr. HAWKES. Does the Senator know that counterfeit stamps are in circulation in connection with the sugar program, to such an extent that the Government feels that it must set aside, I understand, approximately 400,000 tons of sugar to take care of counterfeit stamps, and that they are probably responsible for a large part of the black market about which the Senator is talking?

Mr. O'DANIEL. I think there must be a large volume of sugar taken into consideration as going to the black marketeers, because they are getting it, and it is a serious thing.

Mr. HAWKES. Will the Senator yield again?

Mr. O'DANIEL. I yield for another question.

Mr. HAWKES. The Senator recalls, does he not, that one of the strongest points urged in getting rid of the OPA was the black market.

Mr. O'DANIEL. Yes.

Mr. HAWKES. In other words, if there was fixed a price level which everybody looked at, and which was supposed to represent the actual prices, but did not do so, the people were being fooled by looking at a list, on the one hand, and paying other prices, on the other hand, to get what they wanted.

Mr. O'DANIEL. That is correct.

Mr. HAWKES. There is the same situation in the picture today, and the same actuation should come to every Senator which came in connection with the OPA, for so long as controls are retained and people are bound down to certain things with which they are not satisfied, we are going to have black market operations. That is the thought I should like to leave with the Senator.

Mr. O'DANIEL. I thank the Senator from New Jersey. I have here another letter which bears out the point I am discussing. It comes from another wholesale grocery company, in another section of Texas, from Corsicana, Tex. The writer says:

DEAR SENATOR: Since the early part of 1943, we have operated under the various OPA regulations on coffee, canned foods, meats, and sugar. As these several commodities were released from ration restrictions they shortly began to adjust to supply and demand, and with a great deal less confusion.

There still remains sugar rationing, requiring stamps, certificates, or checks before sugar can be delivered from the refiner, wholesaler, or retailer. The rationing of sugar has affected the people, as a whole, to a greater degree than any other commodity; gasoline not excepted. There has been more injustice, with the least consideration for business or the individual, by the incompetent field men and the district OPA office, than you would ever believe possible under a democracy. Pages could be filled with cases of how the people and business alike have been humiliated and persecuted under this sugar rationing since the war was over in 1945.

Today we have 27 notices to our retail customers of debits to their sugar-ration accounts for what the OPA office calls invalid or altered stamps. In many cases these retailers will not have enough sugar inventory left to operate on. Many are now forced to operate their business without sugar, and the OPA office will not give them any consideration for replacement or increase in their allowable.

If there was sound reasoning in 1933 for the repeal of the Prohibition Act, because the people refused to abide by a bad law, then there are a thousand more reasons why the sugar rationing should be stopped, and at once.

Please use your effort to stop this curse.

Yours truly,

SOUTHERN WHOLESALE
GROCERY CO.,

J. H. SULLIVAN, President.

There are many things contained in this letter. Let me repeat just one sentence.

Many are now forced to operate their business without sugar, and the OPA office will not give them any consideration for replacement or increase in their allowance.

That was the point I was endeavoring to bring out. In the pending measure there is a certain allocation made, of 35 pounds, to every individual, every citizen, in the United States. But how are those citizens to get their 35 pounds when this wholesale grocery company, and the retail grocery company in that territory, have no sugar, and are unable to get any sugar? The sugar which this wholesale company and the retail stores should be getting and selling to the housewives is going into the black market.

Mr. President, I wish to tell Senators something more about the black market. I will tell where the black-market sugar goes.

Mr. WHERRY. Mr. President, will the Senator yield for an announcement?

Mr. O'DANIEL. I yield.

Mr. WHERRY. I should like to inform Members of the Senate that we expect to remain in session until we dispose of the pending sugar-control legislation.

Mr. O'DANIEL. Mr. President, I have here a letter I wish to read, and I should like to have the attention of every Senator to it. It comes from a gentleman who should know what he is talking about, from an attorney, Hubert T. Faulk, of El Paso, Tex. The letter is addressed to Hon. Cliff Anderson, Secretary of Agriculture, Washington, D. C. I understand the new legislation now being considered will turn the handling of sugar over to Secretary Anderson. This is a copy of a letter which was sent to me. Other copies were sent to others, as I shall relate later.

This letter is dated January 25, 1947:

DEAR MR. ANDERSON: With your permission I will add one more to the daily increasing list of "gripes" on the sugar situation.

By way of introduction of myself I will say that I am just a country lawyer, without affluence or influence and recognizing my station and strata in society I am never disappointed when things go awry and seem to stay that way and our officials in high places say they know the inequities of conditions as they exist but the regulations say we must do certain things and we cannot substitute our wisdom, discretion, and judgment for the regulations. I am here referring particularly to the sugar situation.

I have two clients who use a great deal of sugar in their business. They are not distillers or moonshiners but are legitimate industrial users of sugar. They must stay in business and hope that some day the tide will turn. The ration board says "your predecessor in business in 1939 did not require much sugar therefore we cannot allot you any more than he required although you are pushing your business and the public is clamoring for your products." When the small allotment of sugar is exhausted there is always a man standing at the front door who is glad to let my clients have the sugar they need to finish the quarter on and supplies them at a sacrifice of \$25 per hundred. Lately this type of sugar has gone up and is now being offered at \$40 per hundred. Of course, if I knew the names of the sugar bootleggers I could not afford to divulge their names unless the Government would

see that my clients get some relief. My clients must stay in business and if their source of sugar be cut off they would go out of business and it would be cut off if the sugar pirates were put in jail because the Office of Price Administration says sugar is so scarce we cannot expect any increase in allotments. Naturally, my clients would not know the names of the fellows furnishing them the sugar any more than a witness before the grand jury back in prohibition days would know the name of the tall, dark man that sold the witness the pint of corn.

This attorney is laying it right on the line. He is not concealing anything. He wrote this letter to the Secretary of Agriculture, and, to make sure that it was known by other officials in Washington, he sent a copy to Tom Clark, the Attorney General of the United States, if you please, and he sent a copy to his Representative in Congress, Mr. R. E. THOMASON, at Washington, D. C., and, in order to get a little publicity, he sent copies to the El Paso Herald Post and the El Paso Times of his city, El Paso, Tex. The letter continues:

The situation all over the country and the refusal of the proper Government officials to take cognizance of the condition, just naturally raises two questions in the minds of the American people, whether they be Democrats, Republicans or "Bumfuzzled," to which latter group I have been forced to go because of the peculiar theory entertained by our officials as to what is best for our country as a whole. These two questions are:

"Is the rationing of sugar continued for the benefit of the dealer in what is commonly called the black marketing of scarce commodities?"

I want to tell you, Mr. President, that there are many good citizens in this country who actually believe that this price-control bill has been enacted heretofore, and may be renewed for the principal purpose of benefiting these black marketeers, who make great contributions to those who help get the bills enacted. I do not know whether that is true or not, but it has been told me by many of our citizens who are struggling and suffering under the oppression of this kind of administration.

I have many more letters from the citizens of my State and from other States. After reading what is related in those letters it is almost impossible for anyone to realize the extent of the oppression that has been visited upon the citizens of the country.

Some of those letters state that it is surely as bad right here in the United States as some of the edicts that were visited upon the people of Nazi Germany; and I tell you that is a bad thing for the country, to be under an oppression like that.

Here we are, 2 years after the termination of World War II, still hanging onto the outworn and exploded theory that the Congress of the United States, or some administrator in Washington, knows what the people of the country should have, whether they should have one teaspoonful of sugar in their coffee or two. I say with all due respect to the wise men we have in Washington—and there are many of them—it is my distinct opinion that there is nobody here wise enough to rule this Nation and to regulate the life and the activities of each one of its citizens. It is simply one of those things

that it is impossible to do under our democratic form of government.

And so Mr. Hubert T. Faulk says:

If the supply of sugar is so scarce that it must be rationed so each person will get some of it, why is it so abundantly plentiful that when the user of large quantities has exhausted his legal allotment he can rely on getting any quantity he is able to pay for from the black market?

And the price today is from \$25 to \$40 a hundred pounds, or 25 cents to 40 cents a pound.

The black marketer has sugar, all he wants, and he is selling it freely in the State of Texas, and all over the Nation, I assume.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. O'DANIEL. I yield.

Mr. LANGER. I should like to ask if the Senator noticed an Associated Press item in the paper a week ago, in which it was stated that one company got over a million pounds of sugar, and used it before being arrested?

Mr. O'DANIEL. No, I did not happen to read that particular item, but I find instances in my correspondence along the same line as that item.

The letter from Mr. Faulk continues:

It is my conviction that if Congress will get its mind off of 1948 and seriously consider the crisis at hand, not only as to sugar but other matters, we can usher in an era of prosperity and contentment such as we have never known.

Mr. President, I do not know whether or not the black marketeers had anything to do with inspiring someone to get this rationing- and price-control measure enacted into law in this country, but nobody could have done the job any better for their benefit than the way it is being done. They are not coming into the committee and making any complaint; they are not asking that price control be eliminated. They are going right ahead doing business at the same old stand and now, when sugar controls could very innocently and beneficially die next Monday at midnight, we are proposing to extend them and are debating as to whether we should extend them until June 30 or October 31, or March 31, next year. It is proposed to continue the authority for a while, and when the authority again expires it can again be extended, and again and again.

Mr. President, some of the abuses under rationing and price control are very bad indeed. I do not believe I shall take up the time of the Senate this evening to go into all the complaints I have received, because I think it would be a futile thing. I do not believe there is a possibility of preventing the passage of the joint resolution. I think it is going to go through. I think the New Dealers are going to have this little emergency continued for them. Ever since 1933 the New Dealers have been unable to operate unless there was some great emergency on which they could feast. There has been emergency after emergency until November 5 last, when President Truman heard the voice of the people and got busy and abolished most of the price controls. The New Dealers got down to almost the last emer-

gency in the bottom of the barrel. They do not have very many emergencies left; just a little old rent control, and a few cubes of sugar, and a little rice to be dealt with under the pretext of emergencies. But they have got to hang on to their emergencies or they will die. They cannot exist unless they have some emergencies on which to live. They would like to have the law extended so as to retain a strangle hold on the citizens of this country and thus be able to tell them how much sugar they can have in their coffee.

Mr. President, we hear it said that we must do something to give more sugar to the housewife. That is a laudable ambition, but it cannot be done. Everything is so lined up that the housewife cannot obtain more than 35 pounds of sugar, or perhaps 40 pounds of sugar if something favorable happens in Cuba or Hawaii or somewhere else so we can obtain another shipload of sugar.

Senators may think they are hearing something good for the housewife and her children. Not so, for all that happens is that she is limited in the amount of sugar she can buy. This is depriving her little kiddies of the great joy that used to come to many Senators when they were boys, seeking out the cookie jar and eating some of those fine home-made cookies their mothers used to make. But now the cookie jar is broken and gone. The housewife who would like to make cookies and doughnuts and other bakery goods, sweets for her children and perhaps for her husband, cannot buy enough sugar for such purposes. She may bake a few cookies, but not many. So she must go to the bakery and there she can buy all she wants of fine cakes, one of which would make about a meal for one husky boy. She can buy such a cake for about a dollar, so there is a saving of a few cents on the pound of sugar she cannot obtain, but she spends a dollar for a cake which, if she had the sugar, she could bake at a cost of about 10 or 15 cents.

That is what is being done to the housewives of this country. Those who can afford to do so buy their sweets at the bakery, but the housewife who is on a small budget, who cannot afford to buy high-priced bakery goods, she and her children must do without those delicious dainties which are so essential to the well being of growing children if they are to become strong and sturdy. They are deprived of them. The result of the Government policy is that instead of bakery goods, cookies and doughnuts being made in the home, that business has been directed into commercial channels, practically all of it, because the housewife cannot obtain enough sugar with which to bake the dainties she would like to make for her family.

Mr. President, why cannot the housewife get the sugar she needs? It is because of the law which is in effect and which it is now proposed to extend. The law says she can have 35 pounds of sugar, if she can find it. But when she goes to the store it is not there. The wholesale dealer says he has no sugar, and the retail grocer says he has no sugar. She has her sugar stamps and she is entitled

to 35 pounds, and has the money to pay for the 35 pounds, but she cannot buy that amount of sugar because it is not available. Why is it not available to her? Because the black marketeers have headed it off somewhere down the line. What does he do with it? Does he go to the housewife and say, "I will let you have some of this sugar at 35 cents or 40 cents a pound?" No, he is in the wholesale business, and he sells it to the manufacturers of bakery goods who are on his list, and he receives for his sugar, as the letter I read says, 25 cents a pound, or at least that is what he used to get, but now he gets 40 cents a pound. He lets the manufacturers have all the sugar they want at \$40 a hundred pounds.

So, Mr. President, are we doing anything for the common citizens of the country when we are forcing the sugar through the manufacturing channels via the black marketeer?

Are we doing anything beneficial for the people of this country when we permit such practices to prevail? I cannot see that we are. On the other hand, I can see where we are doing something highly detrimental to the common people, something that is injurious to the health of their children.

Mr. President, it seems we must continue this little emergency if the New Dealers in Washington are to continue to operate. The New Dealers could have enough to do if they really meant to help the farmer. However, they think they must engage in the administration of the distribution of sugar, to dish it out a spoonful at a time, and it is dished out in this manner with the result that the housewife finally does not get much of it.

Mr. President, there are 140,000,000 citizens in the country. Multiply that number by 35 pounds which each individual is entitled to, and we have the amount which should go to the housewives. But we know there are thousands of people who do not buy one pound of sugar. Where does the sugar which is allotted to them go? There are others who buy less than 35 pounds; where does that sugar go? That provision with respect to 35 pounds to each individual is put in the measure deliberately so that there will be a surplus. It is put in it deliberately by somebody. I do not want any Senator to construe my remarks as impugning the motives of anyone who supports the measure. I would not do that for the world. That is against the rules of the Senate.

But I do want to say that such a provision is in the measure. That provision is in the bill for a purpose, and I have concrete proof that it is with the purpose of providing a surplus. I cannot vote for such a provision. I do not criticize any Senator who votes for it, because, thank God, every Member of this body has the right to vote in any way he pleases, and he does not have to answer for his vote to anyone. He may vote as he thinks is right. I hope we shall continue to maintain the form of government here that permits every Senator to vote as he thinks. But we will not do the right thing so long as we impose such a regulation as this on the citizens of the country. The citizens are sick

and tired of such practices, and my mail so indicates. I do not know whether my mail is of different character from that received by other Senators. But I know that the people of Texas do not hesitate to express their views and opinions on political matters or on any subject that pertains to them. Most of the citizens of Texas are against this measure. I have letters from preachers who cannot get a little sugar with which to make ice cream for their church socials. I have letters from veterans of the war protesting against the measure. Oh, yes; it is true we are always going to do something for the war veterans. But let us say a war veteran decides to start a business of making ice cream, and he may take a partner in with him. He starts a little business and receives some kind of an allotment for 30 days which will be only sufficient for 1 day. I have letters from such individuals, but I shall not take the time of the Senate to read them.

Mr. President, I have a letter which shows that the OPA established a new census bureau. It revived a system which had been used by the United States Bureau of the Census, and began the taking of a census all its own. It found that someone had left the town of Corpus Christi, Tex.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. O'DANIEL. I yield for a question.

Mr. CAPEHART. Does the Senator know that unless an individual who goes into a small business, such as the Senator has indicated, is a veteran he is denied an allocation of sugar by OPA at this time?

Mr. O'DANIEL. Yes; I have received testimony from many who have stated that fact.

Mr. CAPEHART. If the Senator should wish to start a bakery and bake pies and cakes and sell them today he would be denied any sugar for that purpose.

Mr. O'DANIEL. That is absolutely correct.

Mr. CAPEHART. Does the Senator know that in the city of San Diego, Calif., a bakery has been built, a new building, and machinery has been installed. There is great unemployment in that city. Two hundred workmen are standing by waiting to go to work. Yet, that bakery is unable to open its doors because the OPA denies it the right to obtain any sugar.

Mr. O'DANIEL. I have heard of that instance also. In my home town of Fort Worth the Government has urged that the farmers produce more milk. The dairy herds have been multiplied and fine dairy barns have been built, and the milk has been produced, to take care of the demand during the war. As the demand commenced to lessen and the milk continued to come, the management of one of those dairies thought it would be a good idea to make ice cream. A great deal of machinery was bought and a plant was equipped. They were ready to start, and they had everything but the sugar. But some little bureaucrat in Washington said, "No; you cannot have

any sugar. We are saving it." He would not say what it was being saved for, but I say it was being saved for the black marketeer. At least the black marketeer gets it, and it goes through commercial channels, but the housewife does not get it.

At Corpus Christi a new system of taking the census was placed in operation. It was found that someone had left Corpus Christi. They could not find out who it was, but the sugar quota for Nueces County, in which Corpus Christi is situated, was reduced. There was not enough sugar for the people to get half as much as they need. They are entitled to it, but they cannot get it. But under the new system of taking the census instituted by Mr. Max McCullough and the OPA it is stated that there are not that many people in Corpus Christi. These people are there, but the OPA census does not show their presence.

I have before me a letter from General Mills, Inc., Minneapolis, Minn. It reads as follows:

MINNEAPOLIS, MINN., January 21, 1947.
HON. W. LEE O'DANIEL,
United States Senate,
Washington, D. C.

DEAR SIR: Should like very much to add my support to the position you have taken concerning the Emergency Price Control Act as it affects the sugar situation.

I am sure that you will have the universal support of industry as well as the majority of householders.

Speaking for industry, we have been severely handicapped and held back in the development of many new food products and the expansion of old products, which has hindered the development and manufacture of new machinery as well as the employment of additional labor.

Allowing a sugar allocation of 60 percent of 1941 usage does not seem right or equitable in face of published Government reports on the world's production of sugar, which indicate for 1946-47 92 percent of the prewar average.

Am also taking the liberty of writing our Minnesota Senators and Representatives requesting them to support your movement.

Yours very truly,

GENERAL MILLS, INC.,
C. V. NELSON,
Director of Purchases.

Mr. President, I do not intend to take up much more time of the Senate at this late hour, because nothing I can say will influence the vote. I merely wish to make the record clear that I am opposed to the joint resolution. I think it is unconstitutional. I think it is un-American. I think it is useless. I do not think there was any great demand from the citizens of the country for legislation of this nature. I think it was concocted by some of the New Deal economists and nit-wits in Washington. I think it will do much damage to our country. I do not think it will help the housewife get any more sugar, and that is what she wants.

In my State we have an abundance of fruit which has rotted on the trees and on the ground under the trees simply because we could not get sugar. Under the OPA we established a sugar refinery at Sugarland, Tex., and all its ware-

houses were so crammed with sugar that the mill had to be closed.

This administration has been catering to minority class about long enough. I think it is time to cater to the rank and file of American citizens who know how to conduct their own business. They know how to stand on their own feet and conduct their own affairs. They made sacrifices enough during the war. They did not object to rationing during the war, no matter whether it was necessary or not; but they have heard that all our enemies surrendered unconditionally, and that the war is over. They think it is time to end the foolishness of trying to ration sugar, rice, rent, or anything else which anyone might think of rationing.

I wish to voice my objection to the joint resolution, and to say that if it is passed by a voice vote, I want the RECORD to show that I am against it. I do not care how it is amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. McCARTHY] on behalf of himself and the Senator from Ohio [Mr. BRICKER]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded proceeded to call the roll, and Mr. AIKEN voted "nay" when his name was called.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHAVEZ. Has any Senator voted yet?

The PRESIDING OFFICER. The roll call has begun.

Mr. CHAVEZ. Has any Senator voted?

The PRESIDING OFFICER. The Senator from Vermont voted in the negative.

The roll call was continued and concluded.

Mr. REED. I have a general pair with the Senator from New York [Mr. WAGNER]. I transfer that pair to the Senator from South Dakota [Mr. BUSHFIELD] and will vote. I vote "yea."

The Senator from South Dakota is necessarily absent. If present and voting, he would vote "yea," and the Senator from New York would vote "nay."

Mr. WHERRY. I announce that the Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate.

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness.

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from West Virginia [Mr. KILGORE], and the Senator

from Nevada [Mr. McCARRAN] are absent on public business.

If present and voting the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] would vote "nay."

The result was announced—yeas 45, nays 35, as follows:

YEAS—45

Baldwin	Ecton	Malone
Ball	Ellender	Moore
Brewster	Ferguson	O'Daniel
Bricker	Green	Overton
Bridges	Gurney	Reed
Brooks	Hawkes	Revercomb
Buck	Hickenlooper	Taft
Butler	Ives	Thye
Byrd	Jenner	Vandenberg
Cain	Kem	Watkins
Capehart	Knowland	Wherry
Capper	Langer	Wiley
Connally	McCarthy	Williams
Cordon	McClellan	Wilson
Dworshak	McKellar	Young

NAYS—35

Alken	Johnson, Colo.	O'Connor
Barkley	Johnston, S. C.	O'Mahoney
Chavez	Lodge	Robertson, Va.
Cooper	Lucas	Russell
Donnell	McFarland	Saltonstall
Flanders	McGrath	Smith
Fulbright	McMahon	Sparkman
George	Maybank	Stewart
Hatch	Millikin	Taylor
Hill	Morse	Tobey
Hoey	Murray	Umstead
Holland	Myers	

NOT VOTING—15

Bushfield	McCarran	Thomas, Okla.
Downey	Magnuson	Thomas, Utah
Eastland	Martin	Tydings
Hayden	Pepper	Wagner
Kilgore	Robertson, Wyo.	White

So the amendment offered by Mr. McCARTHY for himself and Mr. BRICKER was agreed to.

Mr. WHERRY. Mr. President, I move to reconsider the vote by which the amendment just adopted was agreed to.

Mr. ELLENDER. Mr. President, I move that that motion be laid on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. Was the Senator from Louisiana [Mr. ELLENDER] recognized?

The PRESIDING OFFICER. If the Senator from Louisiana was not recognized, the Chair intended to recognize him. The Chair did recognize the Senator from Louisiana by entertaining his motion.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. Ives in the chair). The Senator will state it.

Mr. OVERTON. Has the Senator from New Mexico been recognized at all?

The PRESIDING OFFICER. That is an embarrassing question.

Mr. OVERTON. It certainly is. [Laughter.]

Mr. McCARTHY. Mr. President, I believe that the other half of my amendment is still pending. I do not desire

to address the Senate about it at this time, and I now move its adoption.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. Immediately before section 3 on page 3, it is proposed to insert the following:

Provided further, That not less than 40 pounds of refined sugar shall be allocated during the period from April 1, 1947, through October 31, 1947, to each person in the United States for home consumption, to be made available as follows:

(I) Not less than 10 pounds shall be available for purchase from April 1, 1947, through June 30, 1947;

(II) Not less than 20 pounds shall be available for purchase from July 1, 1947, through September 30, 1947; and

(III) Not less than 10 pounds shall be available for purchase from October 1, 1947, through October 31, 1947;

And provided further, That in the event the quantity allocated to nonprovisional industrial users during any portion of the period from April 1, 1947, through October 31, 1947, is increased above the base allocation of such users, the quantity herein required to be allocated for home consumption during such portion of such period shall be proportionately increased. For the purposes of this act (i) "nonprovisional industrial users" means industrial users who as of April 1, 1947, are allocated sugar on the basis of use during a base period, and (ii) "base allocation" with respect to any interval of time means 75 percent of the quantity of sugar used by such nonprovisional industrial users during the corresponding portion of the base period.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Wisconsin.

Mr. ROBERTSON of Virginia. Mr. President, I rise to a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. ROBERTSON of Virginia. I make the point of order that so much of the amendment of the Senator from Wisconsin, which has just been read, as changes the action taken previously today by the Senate in respect to the allocation of sugar for domestic use is not in order.

Mr. REVERCOMB. Mr. President, will the Senator from Virginia speak louder, so that all Members of the Senate can hear him?

Mr. ROBERTSON of Virginia. I make the point of order that the amendment is out of order because it seeks to change action previously taken today by the Senate—as to which action a motion to reconsider was made, and the Senate voted to lay that motion on the table, so that became the final action of the Senate in regard to this portion of the bill.

The PRESIDENT pro tempore. It is the opinion of the Chair that the question is one of consistency between the various parts of the bill, and that that is for the Senate itself to decide by its vote on the amendment. So the point of order is overruled.

The question is on agreeing to the amendment submitted by the Senator from Wisconsin.

Mr. TOBEY. Mr. President, I simply wish to point out—although, of course, it is difficult to gather the full import of the amendment, because it has not been considered at all, but simply has been read at the desk—that as I understand

the amendment it provides that 40 pounds of sugar be given to each person. Is that correct?

Mr. McCARTHY. It gives an extra 10 pounds for canning.

Mr. TOBEY. Does the Senator mean 10 pounds in addition to the 35 pounds?

Mr. McCARTHY. Of course, rationing will end on October 31.

Mr. TOBEY. However long rationing runs, the allowances will be proportionate.

Mr. McCARTHY. Mr. President, without taking undue time—

Mr. TOBEY. No, Mr. President; I ask the Senator to take all the time he wants, because this matter is important.

Mr. McCARTHY. Let me say that the amendment does not change the 10 pounds which will be allowed on April 1, but maintains that amount; it does not change the 10 pounds which will be allowed on October 1, but will maintain that. It does provide that instead of receiving 10 pounds on July 1 for canning, the housewife will receive 20 pounds, not on July 1, but between July 1 and the next coupon date. In other words, the amendment provides a 20-pound allowance for canning over the three canning months. Is that clear?

Mr. TOBEY. Yes; it is clear insofar as the Senator has stated it.

Mr. President, the Senate has debated at length the matter of allocations, and after considerable debate, as I think all Senators will agree, the Senate adopted the Tobey amendment, which gives 35 pounds, definitely, for the calendar year and also provides that all extra sugar which comes into the United States during the year, up to the amount of 50 pounds per person, shall be allowed.

Now we are faced with a proposed amendment which would stop that process on October 31, just as the Tobey amendment will, but the Tobey amendment will operate proportionately, whereas by the McCarthy amendment it is proposed to allow an extra 10 pounds of sugar for canning.

The point is that under the Tobey amendment the consumers will get all the sugar that is available, and the canning allotment will be taken care of by the Secretary of Agriculture, according to the supply, when, as, and if he is able to allow it. That is his intention, and that is what he has told me.

I think it would be a mistake for the Senate to take action contrary to the Tobey amendment, which has been adopted and which provides for the allotment of 35 pounds of sugar definitely.

The amendment now proposed would change that arrangement. No member of the Senate now present could explain the present proposal, except for what has been said by the proponent of the amendment.

Mr. President, I ask that the amendment of the Senator from Wisconsin be rejected, so as to have the Senate act consistently with the action it took earlier today.

Mr. COOPER. Mr. President, I should like to ask the Senator from New Hampshire whether he understands that the amendment would increase the allotment to 45 pounds or to 40 pounds?

Mr. TOBEY. My understanding of the amendment which has been offered is that it would give 20 pounds of sugar for canning during the summer months—10 pounds as provided by the Tobey amendment and 10 pounds in addition to the April 1 coupon allowance. Is that correct?

Mr. McCARTHY. That is correct. The housewife already is to have 5 pounds as of April 1. The pending proposal is to give her, instead of 10 pounds on July 1, an additional 10 pounds sometime between July 1 and October 1, so that instead of having 10 pounds for canning, she will have 20 pounds for canning. The amendment would not disturb the rationing now proposed up to October 31.

Mr. COOPER. Mr. President, does the Senator from Wisconsin state that his amendment would increase the allotment to 40 pounds?

Mr. McCARTHY. It would increase it to 45 pounds. The housewife will have 5 pounds as of April 1, anyway. My amendment provides that she shall have 40 pounds more, or a total of 45 pounds. The amendment will give the housewife a total of 20 pounds of sugar for canning.

Mr. TOBEY. Mr. President, where does the Senator think the extra sugar will come from?

Mr. McCARTHY. Mr. President, I went over that matter thoroughly earlier today, and I showed that there is available more than a million pounds of additional sugar.

Mr. TOBEY. The Senator from Wisconsin knows that, under the Tobey amendment, that will go to the householders, anyway.

Mr. President, the amendment of the Senator from Wisconsin is a play on words.

SEVERAL SENATORS. Vote! Vote!

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. McCARTHY].

Mr. McCARTHY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. REED. I have a general pair with the Senator from New York [Mr. WAGNER]. I transfer that pair to the Senator from North Dakota [Mr. YOUNG] and will vote. I vote "yea." The Senator from North Dakota is unavoidably detained. If present and voting, he would vote "yea," and the Senator from New York would vote "nay."

Mr. WHERRY. I announce that the Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate.

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness.

The Senator from South Dakota [Mr. BUSHFIELD] is necessarily absent.

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. MACNUSON], the Senator from Florida [Mr. PEPPER], the Senator from Utah [Mr. THOMAS], the Senator from Oklahoma [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator

from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from West Virginia [Mr. KILGORE], and the Senator from Nevada [Mr. McCARRAN] are absent on public business.

If present and voting, the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] would vote "nay."

The result was announced—yeas 32, nays 47, as follows:

YEAS—32

Baldwin	Ecton	Malone
Brewster	Ellender	Moore
Bricker	Ferguson	O'Daniel
Brooks	Gurney	Reed
Buck	Hawkes	Revercomb
Butler	Hickenlooper	Russell
Eyrd	Ives	Watkins
Cain	Jenner	Wherry
Capehart	Kem	Wiley
Capper	Langer	Williams
Dworshak	McCarthy	

NAYS—47

Alken	Holland	O'Connor
Ball	Johnson, Colo.	O'Mahoney
Barkley	Johnston, S. C.	Overton
Bridges	Knowland	Robertson, Va.
Chavez	Lodge	Saltonstall
Connally	Lucas	Smith
Cooper	McClellan	Sparkman
Cordon	McFarland	Stewart
Donnell	McGrath	Taft
Flanders	McKellar	Taylor
Fulbright	McMahon	Thye
George	Maybank	Tobey
Green	Millikin	Umstead
Hatch	Morse	Vandenberg
Hill	Murray	Wilson
Hoey	Myers	

NOT VOTING—16

Bushfield	Magnuson	Tydings
Downey	Martin	Wagner
Eastland	Pepper	White
Hayden	Robertson, Wyo.	Young
Kilgore	Thomas, Okla.	
McCarran	Thomas, Utah	

So Mr. McCARTHY's amendment was rejected.

Mr. ELLENDER. Mr. President, I have on the desk an amendment to the pending bill in the nature of a substitute. The main purpose of the amendment was to change the date from March 31, 1948, to October 31, 1947. Since that has been accomplished, I wish to state to the Senate that I shall not submit my proposed amendment.

Mr. WHERRY. Mr. President, I send an amendment to the desk and ask to have it stated. I offer it at this time.

The PRESIDENT pro tempore. The Senator from Nebraska offers an amendment, which will be stated.

The CHIEF CLERK. It is proposed to strike out all of section 4 and insert in lieu thereof the following:

SEC. 4. The Secretary of Agriculture, in exercising the allocation and rationing authority transferred to him by section 3 of this act, shall make available not less than 50,000 tons of refined sugar for other than provisional-allotment users during the period from April 1, 1947, to March 31, 1948, to provide for the needs of new industrial-sugar users (with particular reference to the needs of shortage areas caused by population shifts) and for the needs of those who have an insufficient base period history to operate currently at competitive levels (and shall consider, as a determining factor in those cases where there is such insufficient base period history, the rate of growth of such user prior to the base period year).

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. WHERRY. Mr. President, the amendment merely provides that the Secretary of Agriculture shall set aside 50,000 tons of sugar to be used in hard-ship cases, where no base has been established, and also for those who desire to establish new businesses.

This is one of the amendments that came out of the Small Business Committee, and I am quite satisfied, after talking with the officials of the Department of Agriculture, that they have no objection to it, as they have so announced to me. They are doing in a limited way what the amendment provides, and this will simply provide that they shall set aside 50,000 tons for the purpose specified.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. WHERRY].

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendments to be offered, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, and was read a third time.

The PRESIDENT pro tempore. The Chair lays before the Senate a joint resolution coming from the House of Representatives which will be stated by title.

The CHIEF CLERK. A joint resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Mr. TOBEY. Mr. President, I move that the Senate proceed to the consideration of the House joint resolution.

The motion was agreed to, and the Senate proceeded to consider the joint resolution.

Mr. TOBEY. I move to strike out all after the enacting clause of the joint resolution, and to insert the text of the Senate joint resolution as amended.

The PRESIDENT pro tempore. The question is the motion of the Senator from New Hampshire to strike out all after the enacting clause and to insert the Senate text.

Mr. WHERRY. Mr. President, I offer to the joint resolution the amendment which I send to the desk.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 2, line 20, before the period, it is proposed to insert a colon and the following: "And provided further, That in exercising the authority extended by this act, the Secretary of Agriculture shall allocate, and permit the purchase of, refined sugar for home consumption at a rate of not less than 40 pounds per person per year; providing further that having in mind the need for sugar for home-canning purposes not less than 15 pounds per person shall be made available for home consumption during the third quarter of 1947. In the event the quantity allocated to nonprovisional industrial users during

any portion of the period from April 1, 1947, until the expiration of the allocation authority is increased above the base allocation of such users, the quantity herein required to be allocated for home consumption during such portion of such period shall be proportionately increased."

Mr. WHERRY. Mr. President, this is the amendment which has been discussed as the Wherry amendment all afternoon. It has not been offered until this time. This is the amendment I explained in detail on the floor, and which was the subject of debate for many hours. It merely provides that individual users shall be allotted 40 pounds instead of 35 pounds. It provides, and is mandatory, that during the third quarter the Secretary of Agriculture shall give the housewife 15 pounds instead of 10.

The amendment also provides that if there is any new allocation, whether there is an increase or not, the Secretary of Agriculture must make it on a pro rata basis, seeing that the housewife has the same advantage of increase as is given to industrial users.

Mr. President, this is the amendment which the distinguished Senator from Illinois [Mr. LUCAS] said he would like to vote for, but he could not vote for it unless the amendment of the Senator from New Hampshire was voted down, and he did not want to vote against that.

I shall not indulge in further debate now, but I should like to have the yeas and nays, so that all those who would like to vote for the amendment can be so recorded.

The yeas and nays were ordered.

Mr. LUCAS. Mr. President, I shall let the RECORD speak for itself as to my position on the amendment.

Mr. TOBEY. Mr. President, I should like to close the debate, if it is worthy of being called that, and I should like to close it along this line. The amendment the Senator from Nebraska offered this morning—

Mr. WHERRY. I have never offered it.

Mr. TOBEY. The Senator has offered it now.

Mr. WHERRY. Yes.

Mr. TOBEY. And he discussed it.

Mr. WHERRY. Mr. President—

Mr. TOBEY. I am not blaming the Senator; he certainly talked about it, and it has been thoroughly aired in the Senate. It is a first cousin to the amendment just defeated. If Senators vote for this amendment they go back on the way they have voted twice by a large majority, 2 to 1 in each case. If they vote for this amendment they make null and void all they have done. I say it is a first cousin to the amendment just defeated, and I merely ask Senators to vote the amendment down. Let the Senator have his record, make it plain, and make it emphatic.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Nebraska [Mr. WHERRY]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WHERRY. I announce that the Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate.

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness.

The Senator from South Dakota [Mr. BUSHFIELD] is necessarily absent.

The Senator from Kansas [Mr. REED] is unavoidably detained. He is paired with the Senator from New York [Mr. WAGNER].

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Virginia [Mr. BYRD], the Senator from West Virginia [Mr. KILGORE], and the Senator from Nevada [Mr. MCCARRAN] are absent on public business.

If present and voting, the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] would vote "nay."

The result was announced—yeas 34, nays 44, as follows:

YEAS—34

Baldwin	Ferguson	O'Daniel
Brewster	Gurney	Revercomb
Bricker	Hawkes	Russell
Brooks	Hickenlooper	Stewart
Buck	Ives	Vandenberg
Butler	Jenner	Watkins
Cain	Kem	Wherry
Capehart	Langer	Wiley
Capper	McCarthy	Williams
Dworschak	McKellar	Young
Ecton	Malone	
Ellender	Moore	

NAYS—44

Aiken	Hoey	Myers
Ball	Holland	O'Connor
Barkley	Johnson, Colo.	O'Mahoney
Bridges	Johnston, S. C.	Overton
Chavez	Knowland	Robertson, Va.
Connally	Lodge	Saltonstall
Cooper	Lucas	Smith
Cordon	McClellan	Sparkman
Donnell	McFarland	Taft
Flanders	McGrath	Taylor
Fulbright	McMahon	Thye
George	Maybank	Tobey
Green	Millikin	Umstead
Hatch	Morse	Wilson
Hill	Murray	

NOT VOTING—17

Bushfield	MCCARRAN	Thomas, Okla.
Byrd	Magnuson	Thomas, Utah
Downey	Martin	Tydings
Eastland	Pepper	Wagner
Hayden	Reed	White
Kilgore	Robertson, Wyo.	

So Mr. WHERRY'S amendment was rejected.

Mr. TOBEY. Mr. President, I move to reconsider the vote by which the so-called Wherry amendment was rejected.

Mr. FULBRIGHT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUTLER. Mr. President, on January 31, 1947, as appears on page 735 of the CONGRESSIONAL RECORD, as chairman of the Committee on Public Lands I requested a short extension for a committee carrying over from the Seventy-ninth Congress to make its report. No additional expense would be involved.

The extension was granted until March 31. The committee referred to was under the chairmanship of the then Senator from Utah, Mr. Murdock, and other Members were the Senator from Idaho [Mr. TAYLOR], and the Senator from Oregon [Mr. CORDON]. They desire to complete the report. The shorthand reporter who took the notes was ill in the hospital. He is still confined to the hospital, but with the assistance of his own clerical force he is completing the transcript and will have it ready, we hope, in the near future. I send to the desk another extending resolution, in order that the report may be completed.

The PRESIDENT pro tempore. Is the Senator requesting present consideration?

Mr. BUTLER. I request present consideration.

Mr. BARKLEY. Mr. President, I have no objection to the resolution, but it is presented on the verge of our voting on the sugar joint resolution, and it is a matter which could wait at least until we pass that measure. If the Senator will wait until we get through with the pending matter, I shall not object.

The PRESIDENT pro tempore. Is there objection at the moment?

Mr. BARKLEY. I must object at the moment.

The PRESIDENT pro tempore. Objection is heard.

The question is on agreeing to the motion of the Senator from New Hampshire [Mr. TOBEY] to strike out all after the resolving clause of the House joint resolution and to substitute therefore the perfected Senate text.

The motion was agreed to.

The PRESIDENT pro tempore. The question now is on the engrossment of the amendment and the third reading of the joint resolution.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDENT pro tempore. The question now is on the passage of the joint resolution.

Several Senators asked for the yeas and nays; and they were ordered.

Mr. RUSSELL. Mr. President, I wish to make a brief statement before the final vote. I have been strongly in favor of continuing the Sugar Control Act and the rationing of sugar, for I apprehend that too early an ending of it would cause tremendous confusion in this country. I am convinced, however, Mr. President, that since the majority of the Members of the Senate have seen fit to conclude the controls on sugar by the 31st of October of this year, thereby adopting the House date, that it would be much better to end the rationing at the end of this week. The proposed short extension in my opinion will cause a great deal of confusion and will lead to unusual profiteering on the part of some persons who will hold their sugar until the expiration date of the act and otherwise manipulate the supply. For that reason I shall vote against the measure. I do so despite the fact that I prob-

ably will have to explain to a number of my constituents, to whom I have written letters, that I favor sugar rationing. I had hoped that we could extend this sugar rationing until sometime next spring so that the controls might be removed without any lengthy knowledge to those who might speculate in sugar. If rationing is going to be concluded in October, I shall cast my vote against the measure and let it end now. Prices will go up whenever rationing ends, but in my opinion it will cause more profiteering and hoarding to fix the October date than to catch the speculators unaware and end it now. I would like to have an opportunity to vote for a bill to help the people of the United States solve the sugar problem. I regard this as a bill to benefit speculators and hoarders. I cannot vote for a speculators' bill.

Mr. MAYBANK. Mr. President, as a member of the subcommittee of the Committee on Banking and Currency, and as a member of the committee supporting sugar legislation, I want to make my position perfectly clear. I could not support a measure which would end rationing in October, thus creating gambling and hoarding between now and then. If the rationing is to end, Mr. President, let us end it on March 31, and let those who desire to hoard, or do whatever they want to do, commence to do it immediately. Therefore, I shall vote against the measure.

Mr. AIKEN. Mr. President, I agree with what the Senator from Georgia and the Senator from South Carolina have said. By changing the date to October 1, if we enact this measure into law, we will simply make millions and millions of dollars for speculators. For that reason I think it is better to let sugar control end now than after 6 months from now.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks of the Senator from Georgia and the Senator from South Carolina, because in my judgment we have laid the foundation today for a very serious sugar scandal in this country. I think we are playing into the hands of the speculators and the profiteers. I do not believe it represents sound Republican policy. Therefore, I shall vote against the measure.

Mr. FLANDERS. Mr. President, coming from a State which has voted Republican ever since there was a Republican Party, and on behalf of that party for which my State has so consistently voted, I shall vote against the measure because, like the dead albatross around the neck of the ancient mariner, it would hang on the neck of the Republican Party, and I will have no part in it.

Mr. CAPEHART. Mr. President, I join with the Senator from Georgia, the Senator from South Carolina, the Senator from Oregon, and the Senator from Vermont. I shall vote against the measure. But I want to call the attention of the Senate to the fact that there will be no more of a scandal, and no more justification for an increase in the price of sugar by our releasing controls on October 31 than there would be if we removed controls on March 31 next. I want the RECORD to show that, in my opinion, anyone who maintains that there will be such

a scandal merely for that reason, is wrong. I think the facts will substantiate that such a thing is going to happen regardless of when rationing is discontinued. Let us not be fooled now by anyone into believing that as a result of what the Senate has done today by voting to discontinue rationing on October 31, something is going to happen that would not happen on next March 31.

Mr. TOBEY. Mr. President, I speak with no bitterness in my heart, but I concur in the statements made by both Senators from Vermont. I want to go on record as saying that this subject has been thoroughly aired here on the floor of the Senate, and honest representation has been given to the sugar situation by sincere men, including the Secretary of Agriculture, Mr. Anderson. No man in this Chamber can say he did not know from authoritative sources what the consequences would be, of changing the date to October 31. They were thoroughly explained and pointed out.

There is a certain clique in this country which is going to capitalize on the action we take today in changing the date to the 31st of October. The speculators are singing a Te Deum in their hearts tonight throughout the country. They are singing "Hail, Hail the Gang's All Here. We are ready for the kill."

Mr. President, I deplore that. I shall do nothing that would result in advantage to that selfish crowd, the crowd that has no interest whatever in the welfare of the people of the country.

Mr. President, the measure as framed by our committee and favorably reported to the Senate was designed for the good of the country, to administer a very trying situation, and to let the effects of rationing decline gradually. It was voted out 10 to 2. To remind those who may try to defend their action in changing the date to October 31, instead of leaving controls on until March 1948, as the joint resolution reported by the committee provided, the Secretary of Agriculture was directed in that measure to remove controls whenever he could and when he found it in his heart to do it. Both the junior Senator from Vermont [Mr. FLANDERS] and I repeatedly pointed that out. I read to the Senate the letter of the Secretary, in which he said that when that time came he would give no advance notice, so there could be no speculative benefit from the action he would take. He would pull the curtain down at a time unannounced in advance, and at such a time that no privileged or preferred class would benefit thereby.

Now by what is proposed to be done, the removing of controls on October 31, the speculators are being put on notice that the doors are ajar. The floodgates of speculative profits are open to greedy hearts. I shall vote against the measure. I want the country to know where the blame lies. It lies with a group in my own party, in the Republican Party, who have been trying to sabotage this measure at every possible opportunity.

Mr. DWORSHAK. Mr. President, I make the point of order that the Senator from New Hampshire is out of order.

The PRESIDENT pro tempore. The Chair rules that the Senator from New Hampshire is not out of order.

Mr. TOBEY. The Senator from Idaho cannot take it, can he?

Mr. SPARKMAN. Mr. President, I want to say that I served on the subcommittee. That subcommittee worked very hard to draft and report out a bill which would continue these controls in an orderly manner. I consider the change of the date as an absolute scuttling of the measure. The Secretary of Agriculture, if I remember correctly, told our subcommittee that it would be better to end the controls now than to end them on October 31.

Mr. TOBEY. The Senator is correct.

Mr. SPARKMAN. For that reason I want to say that I shall join the other members of the subcommittee who have announced their intention to vote against this measure.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. MORSE. I understand the Senator from Idaho raised a parliamentary inquiry as to whether or not the Senator from New Hampshire was out of order.

The PRESIDENT pro tempore. The Chair ruled he was not out of order.

Mr. DONNELL. Mr. President, I am at a loss to understand the reason for the tremendous consternation that seems to have struck the Senate within the last few minutes. As I see it, there is no occasion for any great fear of any great national scandal arising out of this situation. Unless I am entirely in error, section 2 of the measure, which has been eulogized on the floor here, still remains in it. Is that not true? Does not section 2, which provides that "prior to the expiration of this act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this act when he determines that the supplies of sugar are sufficient to warrant such action," still remain in the measure?

Mr. TOBEY. Yes, it still stands there. It is a pretty mess of verbiage. But let me point out that what the Senate is doing now is put speculators on notice that they can make the killing, when they can play the game. But if the measure is left in the form in which the Banking and Currency Committee reported it, the Secretary of Agriculture will, when he knows the proper time has arrived, let the portcullis fall at such a time as to make the speculators impotent to take advantage of his action. But they are not blind now; they are put on notice that controls definitely go off October 31 and there is no uncertainty to them. They will govern themselves accordingly.

Mr. DONNELL. I have understood upon the floor of the Senate this afternoon, certainly from this side of the aisle, that the Secretary of Agriculture is esteemed as an honorable man. I have understood him to be eulogized here, as to his judgment and his integrity. It seems to me that this authority—not merely authority but direction to him by

section 2—means, if it means anything, that he is told that prior to the time when the removal of the controls would take effect on October 31 he shall remove the controls, and the idea is, as I understand, Mr. President, that by so doing he will prevent the very scandal and the very reaping of vast harvests of unholy gains, concerning which consternation seems to have struck the Senate. Now if I am wrong about that I should like to be corrected, and I yield to the Senator from Vermont who stands upon his feet.

Mr. FLANDERS. Mr. President, in answer to the point raised by the Senator from Missouri I would say that it is the considered judgment of the Secretary of Agriculture that it is unsafe to ask him to raise the controls at any time between now and October 31. He might be able to, but he would not want to be responsible for having to remove the controls between now and October 31.

Mr. DONNELL. Does the Senator mean that he is not willing to commit himself to do so at this time?

Mr. FLANDERS. It means a little more than that. He feels that there is very great danger in being required to remove controls between now and October 31.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DONNELL. I yield to the Senator from Indiana.

Mr. CAPEHART. I should like to know what there is about the date of October 31 as compared with next March 31, which will make any difference in the so-called scandal? What is the difference, so far as the profiteers are concerned, and those who would hoard sugar, between hoarding it from now until October 31 and hoarding it between now and next March 31? I have never listened to anything I thought was such a striking example of much ado about nothing as the discussion with respect to those two dates. We voted to decontrol on October 31. The joint resolution as reported by the committee set the date as next March 31. Either date gives notice to those dealing in sugar that on October 31 or March 31 controls will be lifted from sugar. I wish some Senator would tell me the difference. In the interim, whether we take October 31 or March 31, the Secretary of Agriculture has the right, at any time he may see fit, to decontrol. We are making a great ado about nothing.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. AIKEN. I invite attention to the fact that setting the date for the expiration of the control at October 31 sets it at a time when undoubtedly the Congress will not be in session; and no matter how short the supply of sugar becomes, no matter how much the gamblers withhold the supply of sugar, there is nothing in the world that Congress can do about it, whereas on the 31st of March Congress will be in session.

Mr. DONNELL. I yield.

Mr. FLANDERS. I should like to say further in response to the inquiries raised

by the Senator from Indiana that the best time, in the judgment of the Secretary, lies somewhere between a November date and the March date, and that so far as any knowledge or information about supplies, stocks, and consumption is concerned, any date before that would be unsafe. There is a practical surety in finding a date between those extremes.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. CAPEHART. I appreciate that point; but I was trying to point out to the Senate that there is not much difference between dates so far as speculation is concerned.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me so that I may ask the junior Senator from Vermont a question?

Mr. DONNELL. I yield.

Mr. SALTONSTALL. The question is this: Massachusetts is a large industrial State which uses a great deal of sugar in ice cream, bottled goods, and confectionery. There are also two large refineries in the State. If we take off controls now, will not those large industrial users get all the sugar, and leave none for the housewife, or for canning? In other words, if we keep the controls until October 31, even though there may be a large increase in the price of sugar after that time, with the coming of new supplies there will be better opportunity for the housewife under those conditions than if we were to remove controls today.

Mr. DONNELL. I yield to the Senator from Vermont [Mr. FLANDERS] for the purpose of answering the question.

Mr. FLANDERS. The situation so far as the housewife is concerned in the case of an October release would be very bad indeed. The hoarding would take place during her canning season. As I explained this afternoon, that was one of the very bad features against the October 31 date. I can conceive of nothing worse so far as the housekeeper and home canner are concerned.

With regard to the other part of the question, as to whether it was not more serious to decontrol now than next October, the Senator from Massachusetts was thinking largely in terms of the very large industrial consumption of sugar. As I understood, he expressed the fear that that very large industrial consumption of sugar might drain the household supplies at this time. Am I correct in that statement of the question?

Mr. SALTONSTALL. My question was, Would not the housewife, in an industrial State, using large quantities of sugar be better off with the October 31 date, than if controls were removed today?

Mr. FLANDERS. My answer to that question was that there was no time worse for the housewife so far as canning was concerned than October 31. As has been explained, the hoarding which would take place in anticipation of that date would come during the canning season. The point has been raised that the Secretary does not necessarily decontrol at that date. The fact remains, however, that everyone knows that control is to be lifted at that time at the latest, and the hoarding will therefore start during

the canning season unless the Secretary announces a date suddenly, well in advance of that time. The housewife and canners certainly are not served by the October 31 date, under any conceivable circumstances except those I last mentioned, if the Secretary should suddenly announce a date well in advance of the canning season. That is what we are doing, in effect, if we vote "nay" on the joint resolution.

Let me say to the Senator from Massachusetts that I cannot say what will happen to the household user as compared with the industrial user in the State of Massachusetts or any other region where the industrial demand is strong. We would be in the position of relinquishing controls, and something would happen—heaven only knows what. I am not up in heaven, but in a very different place, namely, on the floor of the United States Senate; and I must plead ignorance on that subject.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DONNELL. I yield.

Mr. MAYBANK. I wish to mention one further point to the distinguished Senator from Vermont. Not only would prices be affected, but I was led to believe by the evidence that the Cuban cane is now being cut. A great deal of Cuban cane might not be cut, and there might not be as much sugar from Cuba if the controls were to be terminated in October.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. DONNELL. I yield to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I think this confusion which has taken hold of the Senate in the last few minutes is much ado about nothing. As I tried to point out this afternoon in the course of the debate the Senate should not overlook the fact that the Federal Government, through the Commodity Credit Corporation, owns the largest available source of sugar that is now being produced in this hemisphere. The Government is the owner of the Cuban crop and the Puerto Rican crop, and I am certain that with that sugar in the hands of the Federal Government and with controls applied until October 31 all will receive their just share and there will be no opportunity to hoard sugar.

As I tried to point out this afternoon, if we select March 31, 1948, instead of October 31, 1947, as the date for the removal of controls, the scandal which has been mentioned will really occur, because the period of the greatest sugar production begins in November and continues through December and on until May in each year; and if we should make the mistake of having controls removed on March 31 there is no question in my mind that all the new sugar produced from November until early next year, up to March 31, would be retained so that it could be sold on an uncontrolled market.

Mr. DONNELL. May I ask the Senator from Louisiana, who has just spoken, whether or not he anticipates that if this joint resolution shall be passed in its present form a great national scandal will result?

Mr. ELLENDER. Of course not. It is silly to contemplate that such an occurrence will come to pass.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. ELLENDER. I do not have the floor.

Mr. DONNELL. I yield to the Senator from South Carolina for the purpose of interrogating the Senator from Louisiana.

Mr. MAYBANK. The Senator from Louisiana is more familiar than am I with the production of sugar and the growing of cane. Inasmuch as he has stated that the Commodity Credit Corporation owns the Cuban crop and the Puerto Rican crop I should like to ask him this question: Is it not a fact that the Cuban Government made certain arrangements with UN to allocate a certain amount of the crop and that the American Government agreed to it?

Mr. ELLENDER. As I understand, the American Government purchased the entire Cuban crop, and approximately one-third of it has been allocated for foreign distribution, so there is an increased allotment to the people of countries which are not producing as much as they produced before the war. This country has been allocated two-thirds of the Cuban sugar production, which amounts to approximately 3,200,000 tons.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DONNELL. I yield to the Senator from South Carolina.

Mr. MAYBANK. My only point is that the Government acted as an agent for UN, and when we remove the ceilings the dollar credits will be involved, and Cuba desires to build up her credits in the future with countries other than the United States. The United States will control the sugar as an agent for Canada, England, and for every other Nation involved.

Mr. ELLENDER. But I repeat to the distinguished Senator from South Carolina—

Mr. DONNELL. Mr. President, I yielded for the purpose of propounding an inquiry only.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. DONNELL. I yield to the Senator from Kentucky for an inquiry.

Mr. BARKLEY. I wish to propound an inquiry to someone who can shed enough light on this situation to enable me to cast an intelligent vote. I preface my question by the observation that because I felt that March was a better date I voted against the amendment providing for moving the date up to October 31. I think it is now obvious that the Senate made a mistake in the action which it took. But the joint resolution is now beyond consideration so far as amendments to the text are concerned. The question is now on the passage of the joint resolution. If we decline to pass it, all sugar control will end next Monday.

The question I should like to ask the Senator from Missouri [Mr. DONNELL] or the Senator from New Hampshire

[Mr. TOBEY], or any other Senator who can answer it, is this: In view of the fact that it has long been known that sugar control will expire next Monday unless Congress extends it, if this measure is now defeated, as between the condition that will transpire following next Monday and that which will transpire following next October, would the country be worse off next Monday and following, or would it be worse off in October? I am not speaking of a possible sugar scandal. I presume that so far as it could be done there has already been hoarding of sugar, on the theory that Congress might not extend the law and that the price would immediately rise after the law's expiration next Monday. Whether there will be greater hoarding between now and October I do not know; but insofar as the equitable distribution of sugar among the consumers in this country is concerned, would the country be any worse off next October than it would be next week if Congress declined to extend control?

Mr. FLANDERS rose.

Mr. DONNELL. I see that the Senator from Vermont is on his feet, and I am sure he can respond to the question.

Mr. BARKLEY. Let me also include in my question this observation, with an interrogation point after it: In my section of the country the canning season as a rule is long in advance of the 31st of October. When the 1st of November arrives vegetables and ordinary fruits have been consumed or canned. There are certain products which are suitable for canning up to the 31st of October, but for the most part the housewife in my section of the country has done most of her canning before the 31st of October. I am concerned about what will happen to her in the summer season. If the Senator from Vermont or any other Senator can satisfy my mind with reference to that, and in relation to the other matters about which I have inquired, I shall be very grateful.

Mr. FLANDERS. There is no better time than right now for a disorderly removal of controls for which we have voted. Now is the time. We are in a period when Cuban sugar is coming in. The refining of sugar will reach its peak in May, June, and July. Beyond that time stocks continuously decrease. Now is the time for disorderly removal of controls. There is no better time.

Mr. BARKLEY. That does not entirely answer my question, but I accept it.

Mr. O'MAHONEY rose.

Mr. DONNELL. The Senator from Wyoming is on his feet.

Mr. O'MAHONEY. I desire to obtain the floor in my own right, in accordance with the rule.

Mr. OVERTON. Mr. President—

Mr. DONNELL. I yield to the Senator from Louisiana for an inquiry.

Mr. OVERTON. I wish to propound this inquiry to the able Senator: If controls are removed next Monday is it not true that the sugar refiners and those who grow sugar will proceed to hoard it in order to obtain higher prices, and the market will go up, and that the country will be infinitely better off if control is continued until October 31?

Mr. DONNELL. The Senator has stated his view in his question, and I shall not make further comment upon it. It has been stated by him with clarity.

Mr. OVERTON. I thank the Senator.

Mr. DONNELL. I was, like the Senator from Kentucky who spoke a few moments ago, one of those who voted to retain March 31, 1948, as the date for the removal of control, rather than October 31, 1947. Two things are true: In the first place, the Senate, by the majority of its Members, determined that October 31, 1947, is the proper date to place in the joint resolution. Personally, notwithstanding the fact that I differed with those Senators and voted against it, I am willing to abide by the judgment of the Senate.

In the second place, Mr. President, when that vote was taken by the Senate section 2 was in the joint resolution; and prior to that vote I failed to hear any comments made with respect to any great scandal which would result in the event that we placed in the joint resolution the October 31, 1947, date. Throughout the discussion I have understood that although many believed, as did I, that the proper date was March 31, 1948, nevertheless, section 2, which has been inserted, as I understand from italics, by the committee was a safeguard, or deemed to be such. Certainly when the Senate decided this afternoon that the proper date was October 31, 1947, rather than March 31, 1948, the Senate must have acted on the theory that section 2 was a safeguard.

Mr. President, I am unable to read the mind of the Secretary of Agriculture. I saw this afternoon a memorandum which was handed about here. For the life of me I cannot recall the details of it. I only glanced at it hastily. It may have been conveying the news to which the Senator from Vermont has referred.

But, Mr. President, bearing in mind, first, that the Senate, after full and complete debate, fixed upon October 31, 1947, as the proper date; and bearing in mind the further fact that when the Senate did that there was no charge, so far as my ears conveyed it to me, of prospective scandals resulting therefrom; and bearing in mind the further fact that when the Senate voted to put that date into the joint resolution section 2 was in the joint resolution; and bearing in mind, also, that section 2 provides that—

Prior to the expiration of this act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this act when he determines that the supplies of sugar are sufficient to warrant such action.

I say, Mr. President, that bearing in mind that combination of facts, I shall vote in favor of the joint resolution.

Mr. O'MAHONEY. Mr. President, I have listened with a great deal of disquietude to the discussion which has taken place here in the last half hour. I was one of those who voted against termination on October 31, 1947, because I was convinced that termination at that time would provoke the hoarding and the speculation which have been prophesied

by the Senator from New Hampshire and the Senator from Vermont.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. If the Senator from Ohio will permit me to finish, I shall then yield.

Mr. President, I sympathize completely with everything which has been said here by the Senator from Georgia, the Senator from South Carolina, and the Senator from Alabama. I can understand the feeling of the members of the subcommittee who, having studied this problem, feel that disaster will come to the consumers of sugar in the United States if the price controls are lifted on October 31, 1947.

The question now propounded to us, however, is that which was asked by the Senator from Kentucky; namely, which date of termination will be worse for the people of the United States—next Tuesday or October 31 of this year? I believe that what the Senator from Georgia has said is correct; namely, that with termination as of October 31, 1947, the joint resolution is a speculator's joint resolution. But I also know—

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I decline to yield.

Mr. President, I also know that if we permit sugar controls to terminate next Tuesday, the housewives of the United States, the industrial users of the United States—all who want sugar—will be the sufferers; and the price will rise. There is much greater danger of a price rise with termination of controls within the week than there is with termination on October 31.

I call to the attention of the Senate that after the OPA was repealed, after the failure of OPA legislation in the last session of Congress, when all controls were lifted, there was an immediate rise of prices. Then the OPA was reimposed. Subsequently, the controls were dropped. As a result of that failure to deal realistically with the situation which then confronted us, the price index as of last November was 188. In short, the prices of food in the United States at that time reached an all-time peak.

Mr. President, everyone who pays the slightest attention to what is going on in the United States today knows that prices are rising on every hand. They are rising so rapidly, Mr. President, that I have a grave feeling that before many months have passed this country will face another depression, another crash of prices. Mr. President, that is not my prediction. The business writer for the New York Times, Mr. Russell Porter, only a few weeks ago, in his column in one of the issues of the Times, warned the industrialists of the United States that they had 60 or 90 days within which to reduce prices or else face a break in the market. The United States News, which certainly is not a New Deal publication, in its issue of only last week predicted that a recession was near at hand. Mr. President, we have allowed things to get out of hand because we have been thinking emotionally instead of realistically about the condition which confronts this country.

What is the issue which faces us? The joint resolution brought in by the committee would extend these controls until March 31, 1948, which is only a year from now. As the Senator from Vermont well stated, the purpose of the legislation as brought in by the committee was to secure orderly decontrol.

Section 2, to which the Senator from Missouri [Mr. DONNELLY] has referred, was written into the joint resolution for the purpose of avoiding termination at a time of shortage. But it was intended to enable the Secretary of Agriculture, if there were a sufficient supply of sugar, to bring about the termination without notice or without warning, in order to prevent speculation. However, this afternoon the Senate of the United States has made that impossible. The joint resolution now contains no safeguard against a termination of price control on October 31 for the simple reason that there is no possibility of getting a sufficiently increased supply of sugar between now and then.

We are confronted with a shortage of sugar. Anyone who has given attention to the sugar problem knows that the United States is confronted with a shortage of sugar. There was a time before the war when we used to receive over a million tons of sugar annually from the Philippine Islands. That supply was utterly and completely cut off; the Japs destroyed the machinery and the plantations there; and there is no possibility of securing more than a thimbleful of sugar from the Philippine Islands next year, comparatively speaking.

But if we terminate price controls while there is a shortage of the sugar supply, the slightest bit of common sense should convince everyone that we are inviting disaster; and when the prices begin to rise the housewife will not get sugar for her canning or for the table. The people of the United States as a whole will be the ones to suffer.

O, Mr. President, let us legislate with common sense. Let us legislate in the interest of all the people of the United States. It is perfectly obvious, from what has happened here this afternoon, that this is a matter which needs more consideration. As the Senator from Kentucky said, the parliamentary situation is such that we cannot reconsider the vote by which the October 31 date was inserted, but we have not lost the power to legislate if we are willing to deal with this question intelligently, with common sense, without partisan feeling, in the interest of all the people of the United States. All that is necessary is for us to send the joint resolution back to the committee, Mr. President, and I move that it be recommitted.

Mr. TAFT. Mr. President, I wanted to point out that those who think the controls should be continued to March 31, 1948, it seems to me should necessarily vote for the pending measure. They have an opportunity to introduce for the consideration of the Senate another bill to extend the controls until March of next year, if they wish to do so. The passage of this measure will continue the controls, and there will be at least 4 months in which those who think that is

the wrong date can bring in another bill to extend the date to March 31, and get full consideration in the Senate and the Congress.

It seems to me those who think controls should be continued, but vote to cut them off tomorrow because they do not like the exact date fixed at the present moment, are cutting off their noses to spite their faces. The whole subject has engendered far greater heat than is justified. I may be mistaken, but I do not see how anyone can hoard sugar before the 31st of October if people are strictly limited in the amount they can get. Who can hoard before the 31st of October if there is inventory control and rationing control? I cannot see that disaster would ensue. It is possible that we have so overestimated that we will be very short on the 1st of November, but I do not think so. So far as I can see, with the additional sugar from Cuba, we are going to have a very large stock pile. We will have the new plants of the International Emergency Food Council, and we will have built up a considerable stock. That is why we are rationing for the next 7 months. If we add to that five of six hundred thousand tons more from Cuba, which we have not counted, it seems to me we may expect a perfectly normal supply, certainly for the two coast areas, and the beet sugar crop is coming in to take care of the central area of the country.

In any event, I cannot see why anyone who wants to continue controls should not vote for the joint resolution and then, if, later on it is desired to reconsider, move to extend the date from the first of November until March 31. We can reconsider our decision of this afternoon.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Wyoming [Mr. O'MAHONEY] to recommit the bill.

Mr. BARKLEY. Mr. President, I wish merely to suggest to the Senator from Wyoming that if his motion to recommit is to be of any value it should carry with it, if it is to be agreed to, an instruction to the committee to report back to the Senate not later than tomorrow in order that the Senate might take action.

Mr. O'MAHONEY. The Senator is right. I accept the amendment.

Mr. BARKLEY. It would be in order, if the motion to recommit should carry, for the Senate Committee on Banking and Currency on tomorrow, or later today, if it desired, to report back the bill to the Senate as it was reported originally by the committee, minus all the amendments agreed to, or plus anything else the committee might want to add to it. So that if we are to get out of this situation, assuming the Senate wants to get out of it, in some way other than by having all control expire next Monday, there should be carried with the motion of the Senator from Wyoming an instruction to the committee to report not later than tomorrow.

Mr. O'MAHONEY. I am very glad to accept the amendment as a part of my motion.

The PRESIDENT pro tempore. The Senator's motion, then, is that the bill

be recommitted with instructions to the committee to report not later than—

Mr. O'MAHONEY. Not later than tomorrow.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. Let the Chair understand the motion clearly.

Mr. O'MAHONEY. The motion is to recommit the bill with instructions to the Committee on Banking and Currency to report back to the Senate at not later than noon tomorrow.

The PRESIDENT pro tempore. At not later than noon tomorrow.

Mr. TAFT. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TAFT. If the bill shall be recommitted, will the committee be free to make any changes in the bill?

The PRESIDENT pro tempore. The recommitment would nullify the action of the Senate in respect to all amendments, and the committee would be free to report as it pleased.

Mr. TAFT. I move that the motion of the Senator from Wyoming be laid on the table, and on that I ask for the yeas and nays.

The PRESIDENT pro tempore. The Senator from Ohio moves to lay on the table the motion of the Senator from Wyoming. The motion is not debatable.

The yeas and nays were ordered.

Mr. O'MAHONEY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. O'MAHONEY. I understand those who desire to recommit will vote "no."

The PRESIDENT pro tempore. The Senator's understanding, as usual, is sufficiently accurate not to require any prompting from any source.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WHERRY. I announce that the Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate.

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness.

The Senator from Kansas [Mr. REED] is unavoidably detained. He is paired with the Senator from New York [Mr. WAGNER].

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Nevada [Mr. MCCARRAN], and the Senator from West Virginia [Mr. KILGORE] are absent on public business.

If present and voting the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Utah [Mr. THOMAS], and the Senator from New York [Mr. WAGNER] would vote "nay."

The result was announced—yeas 44, nays 36, as follows:

YEAS—44

Baldwin	Dworshak	Millikin
Ball	Ecton	Moore
Brewster	Ellen'or	O'Daniel
Bricker	Ferguson	Overton
Bridges	Gurney	Revercomb
Brooks	Hawkes	Smith
Buck	Hickenlooper	Taft
Bushfield	Ives	Thye
Butler	Jenner	Vandenberg
Byrd	Johnson, Colo.	Watkins
Cain	Kem	Wherry
Capehart	Knowland	Wiley
Capper	McCarthy	Williams
Cordon	McKellar	Young
Donnell	Malone	

NAYS—36

Aiken	Holland	Myers
Barkley	Johnston, S. C.	O'Connor
Chavez	Langer	O'Mahoney
Connally	Lodge	Robertson, Va.
Cooper	Lucas	Russell
Flanders	McClellan	Saltonstall
Fulbright	McFarland	Sparkman
George	McGrath	Stewart
Green	McMahon	Taylor
Hatch	Maybank	Tobey
Hill	Morse	Umstead
Hoey	Murray	Wilson

NOT VOTING—16

Downey	Magnuson	Thomas, Okla.
Eastland	Martin	Thomas, Utah
Hayden	Pepper	Tydings
Kilgore	Reed	Wagner
McCarran	Robertson, Wyo.	White

So Mr. TAFT's motion to lay Mr. O'MAHONEY's motion on the table was agreed to.

Mr. BARKLEY. Mr. President, I want to make a very brief statement, not for the purpose of attempting to influence the vote of any Senator, but in order that I may make my own position clear. I regret that the Senate took the action it took earlier in the day in moving the date forward to October 31. I think it was a mistake, but it was made, and it was made by the Senate, knowing that the same date was fixed in the House bill, and that therefore that date would not be in conference and it could not be changed by the conferees. So that the Senate took the action with its eyes open on that subject.

I do not know, and I would not pretend to say, whether it is wiser to end control of sugar on next Monday or Tuesday, or to continue it until the 31st day of October. I do feel that if we suddenly and unexpectedly remove controls from sugar, the result may be a windfall for the benefit of those who have, or will have, sugar for sale or manufacture. I think the Congress would not want to bring that about. I am afraid of that situation. I am therefore unwilling to take the responsibility. I have been unwilling to get the consent of my own mind to end these controls unexpectedly on next Monday, which will take place if this bill fails of passage. From my past experience, following the expiration of a control law and a 2 months' hiatus, during which the sky was the limit, in undertaking to secure legislation to reimpose limitations in a field where they had been lifted by failure of Congress, I would not be willing, if this law expires next Tuesday, to try again after my previous experience to reimpose these controls, because it would be ineffective, just as it was last year when we could not reimpose con-

trols after the expiration of the price control act, and its reenactment a month or two later.

Therefore, for my own part, Mr. President, being unwilling to get the consent of my own mind to end these controls on next Tuesday, I shall vote for the passage of this measure, with the hope that if it turns out, in the light of new information, another date should be adopted for the expiration finally of sugar controls, we will have an opportunity to consider it and act upon it between now and the time when Congress shall adjourn.

Mr. LUCAS. Mr. President, I should like to make an inquiry of some member of the Committee on Banking and Currency. The inquiry is this: Is there any evidence before the committee which discloses the viewpoint of the Secretary of Agriculture with respect to these two dates, namely, March 31 and October 31? Has the Secretary testified as to the two dates, and the impact either would have upon our economy, so far as sugar is concerned? Has he given us any information about those two dates?

Mr. FLANDERS. Mr. President, I would like to say to the Senator from Illinois that the Secretary said, I think possibly without realizing that this emergency would come upon him, that he would rather decontrol now than that the October 31 date be fixed by law. He said that, quite specifically. I shall want to inquire of him, between now and our meeting tomorrow morning, whether he feels the same way, and I would not want to hold him to that, personally, until he faced this as a possible fact, rather than as something that is a hypothetical situation. He certainly told us that he would rather decontrol now than between now and the 31st of October.

I think there is one other matter that is pertinent. Mr. Marshall told us that at the present moment there was no evidence of hoarding sugar; so that is also pertinent to this situation, and is favorable to an immediate decontrol.

Mr. TOBEY. Mr. President, I may say to the Senator from Illinois that I spoke at considerable length today, and slowly, much more slowly than I usually do, so I would be clearly understood, expressing the hope the Secretary of Agriculture would act along the specific lines we have suggested, and indicating the danger if he resorted to the October 31 date.

The PRESIDENT pro tempore. The question is on the passage of the joint resolution.

Several Senators asked for the yeas and nays; and they were ordered.

Mr. BUTLER. Mr. President, I do not want more than a half a minute. I desire to express my personal appreciation of the practical and sensible statement just made by the leader of the minority group. In that connection, if Congress finds that the measure as passed here today is not working satisfactorily, in the next 2 or 3 months is there any reason why we cannot amend it at that time? I ask the chairman of the Committee on Banking and Currency that question.

Mr. TOBEY. The dike will have been opened, the floods will come, and hell will be to pay.

Mr. O'DANIEL. Mr. President, I have already spoken once today on the pending subject, and I think everyone knows that I am against price control and rationing. I presented several reasons why I thought we should discontinue the control on sugar at the present time. The whole thing, however, has taken a different trend since I made my little talk, and during that talk I said that I did not think there was any doubt but that the measure would be passed by the Senate. I also want to say that I had in mind at the time I made my talk, that even though Congress should pass the measure it would not remain in force very long.

I think we all know that Mr. Truman down in the White House has been playing some very smart politics beginning immediately after last November 5. I think it has been demonstrated that the best time to bring about decontrol is suddenly and without much warning. That is the way Mr. Truman has brought decontrols about, and the plan has worked very well.

Everything has found its level or will continue to seek to find its level. So I think nothing would be smarter, so far as Mr. Truman's political career is concerned, than for Congress to put itself on record as being in favor of continued price control in order that he might in a few days or a few weeks receive the plaudits of the Nation by removing these controls. It is plainly seen in the pending measure that the Secretary of Agriculture has the right to remove controls at any time he wants to. Of course, I am a Democrat and I would be very glad to see Mr. Truman pull that rabbit out of the bag, so to speak. At least, what I mean is that I would be glad to see him get the best of Congress and continue to build up his political fences.

I am surprised, however, and I say it in all friendliness, that my friends on the other side of the aisle would be led as innocent little lambs to slaughter so soon after the election last November, when, without a doubt, the people of this Nation decided that they did not want any more controls. They decided it in such a convincing manner that anyone could see. Mr. Truman took advantage of the situation and 2 or 3 days later he removed price controls, and thereby he grew in stature before the public. Now, here we are considering the question of putting controls back. I certainly hope—well, I do not know whether I hope that we kill the measure here today or that Mr. Truman shall kill it later. If we do not kill it here, I certainly hope that he will do so and do it soon. If he continues to be politically astute he will veto this bill if Congress passes it.

I certainly hope he will.

The PRESIDENT pro tempore. The question is, Shall the House joint resolution pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. WHERRY. I announce that the Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate.

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness.

The Senator from Kansas [Mr. REED] is unavoidably detained. He is paired with the Senator from New York [Mr. WAGNER].

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Nevada [Mr. McCARRAN], and the Senator from West Virginia [Mr. KILGORE] are absent on public business.

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED].

I announce further that if present and voting, the Senator from Utah [Mr. THOMAS] would vote "yea."

The result was announced—yeas 46, nays 34, as follows:

YEAS—46

Baldwin	Green	O'Connor
Bail	Hawkes	O'Mahoney
Barkley	Hickenlooper	Overton
Brewster	Hoey	Robertson, Va.
Bridges	Johnson, Colo.	Saltonstall
Butler	Johnston, S. C.	Smith
Byrd	Knowland	Stewart
Cain	Langer	Taft
Capper	Lodge	Thye
Connally	Lucas	Umstead
Cooper	McClellan	Vandenberg
Cordon	McGrath	Watkins
Donnell	McKellar	Wiley
Dworshak	McMahon	Young
Ellender	Malone	
Ferguson	Millikin	

NAYS—34

Alken	Hatch	Myers
Bricker	Hill	O'Daniel
Brooks	Holland	Revercomb
Buck	Ives	Russell
Bushfield	Jenner	Sparkman
Capehart	Kem	Taylor
Chavez	McCarthy	Tobey
Eaton	McFarland	Wherry
Flanders	Maybank	Williams
Fulbright	Moore	Wilson
George	Morse	
Gurney	Murray	

NOT VOTING—15

Downey	Magnuson	Thomas, Okla.
Eastland	Martin	Thomas, Utah
Hayden	Pepper	Tydings
Kilgore	Reed	Wagner
McCarran	Robertson, Wyo.	White

So the joint resolution (H. J. Res. 146) was passed.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 58 will be indefinitely postponed.

Mr. WHERRY. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. TOBEY, Mr. FLANDERS, and Mr. MAYBANK conferees on the part of the Senate.

Mr. WHERRY. I ask unanimous consent that the joint resolution which just passed the Senate, and all the amend-

ments thereto, be printed so that Senators may have it tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 931) to extend certain powers of the President under title III of the Second War Powers Act; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MICHENER, Mr. SPRINGER, Mr. FELLOWS, Mr. DEVITT, Mr. WALTER, Mr. BYRNE of New York, and Mr. CRAVENS were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendments to the bill (S. 918) to establish an Office of Selective Service Records to liquidate the Selective Service System following the termination of its functions on March 31, 1947, and to preserve and service the selective-service records, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHORT, Mr. COLE of New York, and Mr. DREWRY were appointed managers on the part of the House at the conference.

TERMINATION OF WAR POWERS AND CONTROLS UNDER SECOND WAR POWERS ACT

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 931) to extend certain powers of the President under title III of the Second War Powers Act.

Mr. WHERRY. I move that the Senate disagree to the amendments of the House, agree to the conference requested by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WILEY, Mr. COOPER, and Mr. McGRATH conferees on the part of the Senate.

LEAVE OF ABSENCE

Mr. BALDWIN. Mr. President, I ask unanimous consent to be absent from the Senate on next Friday and Monday.

The PRESIDENT pro tempore. Without objection, permission is granted.

IMPORTANCE OF PRICE REDUCTIONS

Mr. MORSE. Mr. President, I invite the attention of the Senate to a series of articles written by Mr. Blair Moody and published in the Detroit News, dealing with the problem of reduction of prices. I think it is very important that this material be inserted in the RECORD, and I should like to have it published in the body of the RECORD as a part of my remarks, because I believe that in this series of article Mr. Blair Moody has put his finger on one of the vital economic problems facing the country.

I notice that the President in his recent press conference called attention to the importance of American industry voluntarily reducing prices. Mr. Moody has certainly brought out very clearly in these articles the vital importance of a

quick reduction in prices if we are to save ourselves from what I think is clearly ahead of us, namely, a great economic disruption. If the spiral of high prices continues, it may result soon in the legitimate demand on the part of labor for a quick increase in wages. I fear that such increases in wages will be increases in money wages and not increases in real wages. I feel so deeply about it that I think attention should be focused on the economic crisis toward which I think America is rapidly moving, a crisis which, as the Senator from Wyoming [Mr. O'MAHONEY] pointed out this afternoon, is bound to result in serious depression within the next few months unless American industry and American labor get together on a price-reduction program in order to avoid demands for increases in wages.

There being no objection, the series of articles was ordered to be printed in the RECORD, as follows:

PRESSURE FOR PRICE CUTS APPLIED BY BIG BUSINESS—HARVESTER AD URGES KEY INDUSTRIES TO BREAK THROUGH INFLATION SPIRAL

(By Blair Moody)

WASHINGTON, March 20.—The Government's effort to check inflation, by getting United States Steel and other key industrial giants to break a path for widespread price cuts, gathered strength today by polite—but pointed—pressure from within the ranks of industry itself.

A new type of industrial ad, calling on business to rise to its public responsibilities, is beginning to appear in eastern newspapers.

For example, such key price makers as Big Steel's executive committee, which shortly must decide whether to cut the price of industry's basic material or keep it high, must have seen in the New York Times the other morning a big black-and-white display reading:

"Any price is too high if it can be reduced."

The ad was signed by Fowler McCormick, president of International Harvester Co., which has just announced price reductions totaling \$20,000,000, effective April 1.

There can be little doubt that many, many prices can be reduced. Steel is one obvious example, with production and profits running at unprecedented, swollen levels. So many prices are so much too high that the president of the New York Stock Exchange, Emil Schram, has been raising his voice about it. He fears an angry public backlash if the country is high-priced into a depression.

"MOST IMPORTANT"

"We believe," says McCormick's ad, "there is nothing more important to this country than to lower the prices of goods that people buy."

That is what every ranking economist in the White House, every top businessman in the Commerce Department, including Secretary Harriman and Under Secretary Foster, and many businessmen outside Government also believe.

But so far, McCormick's effort to lead the economy away from a postboom crash, toward prosperous stability, has been received by key industrial bigwigs with the same indignant high nose as greeted the similar effort by Henry Ford II a few weeks ago.

"Business, to our way of thinking, has a social as well as an economic responsibility," continues McCormick's ad.

This statement might raise quite a debate on, say, Big Steel's big board which numbers Sewell M. Avery and several prototypes as well as some pretty broad-gaged men.

"The American people," says McCormick, "have insisted that the Government with-

80TH CONGRESS
1ST SESSION

H. J. RES. 146

IN THE SENATE OF THE UNITED STATES

MARCH 27 (legislative day, MARCH 24), 1947

Ordered to be printed with the amendment of the Senate

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

1 *Resolved by the Senate and House of Representatives*
2 *of the United States of America in Congress assembled,*
3 That ~~(a)~~ notwithstanding any other provisions of law, the
4 Emergency Price Control Act of 1942 (56 Stat. 23); the
5 Stabilization Act, 1942 (56 Stat. 765); title III of the
6 Second War Powers Act, 1942 (56 Stat. 177); and the
7 amendment to existing law made thereby; title XIV of the
8 Second War Powers Act, 1942 (56 Stat. 177); and section
9 6 of the Act of July 2, 1940 (54 Stat. 714), all as amended
10 and extended, shall continue in effect with respect to sugar

1 to and including October 31, 1947, except that authority to
2 continue inventory controls over other than household users
3 may be exercised to and including March 31, 1948: *Pro-*
4 *vided, however, That—*

5 ~~(1)~~ the authority contained herein shall not be
6 deemed ~~(i)~~ to permit the allocation or rationing of any
7 product ~~(other than the allocation of such product im-~~
8 ~~ported or brought into the continental United States)~~
9 unless a regulation providing for allocation or rationing
10 thereof was in effect on February 18, 1947, or ~~(ii)~~ to
11 permit price control over any product unless a price-
12 control regulation with respect thereto was in effect on
13 February 18, 1947;

14 ~~(2)~~ no person shall be subject to any criminal
15 penalty or civil liability, under any such provision of
16 law, on account of any act or omission which is made
17 unlawful by section 4 of this Act;

18 ~~(3)~~ no provision of section 204 ~~(d)~~ or ~~(e)~~ of
19 the Emergency Price Control Act of 1942, as amended,
20 shall apply ~~(i)~~ in any proceeding, involving a regu-
21 lation or order with respect to sugar, in which an
22 injunction or other order of a court is hereafter applied
23 for, or ~~(ii)~~ in any proceeding, under section 37 of
24 the Criminal Code, which is based on a conspiracy

1 involving any act or omission which is made unlawful
2 by section 4 of this Act;

3 ~~(4)~~ in the case of any regulation or order with
4 respect to sugar, no protest may be hereafter filed
5 under section 203 of the Emergency Price Control Act
6 of 1942, as amended; and

7 ~~(5)~~ hereafter no person shall be required to secure
8 a license, and no license shall be issued to any person,
9 under section 205 of the Emergency Price Control Act
10 of 1942, as amended, for the purpose of providing for
11 the enforcement of any regulation or order relating to
12 sugar.

13 ~~(b)~~ Notwithstanding the provisions of any other law,
14 the Secretary of Agriculture, in exercising the allocation and
15 rationing authority transferred to him by section 3 of this Act,
16 shall, in a manner consistent with the maintenance of an effec-
17 tive national allocation and rationing program, provide for the
18 needs of hardship cases, for the needs of new sugar users,
19 and for the needs of those who have no base period history.

20 ~~(c)~~ Nothing herein shall restrict the import of products
21 of consumer size containers of not more than three pounds
22 net each or more than one-half United States liquid gallons
23 each, providing importers of such products shall obtain
24 certification from the proper government officials of the

1 exporting country that products so shipped shall have been
2 produced out of domestic quota sugar.

3 SEC. 2. Prior to the expiration of the authority granted
4 by this Act, the Secretary of Agriculture is hereby authorized
5 and directed to remove any or all controls with respect to
6 any product over which control is authorized by this Act
7 when he determines that the supplies of sugar are sufficient
8 to warrant such action.

9 SEC. 3. ~~(a)~~ The powers, functions, and duties of ~~(1)~~
10 the President under title III of the Second War Powers
11 Act, 1942, and the amendment to existing law made thereby;
12 ~~(2)~~ the President or any executive department under section
13 6 of the Act of July 2, 1940; ~~(3)~~ the Price Administrator
14 under the Emergency Price Control Act of 1942; and ~~(4)~~
15 the President and the Price Administrator under the Stabi-
16 lization Act of 1942, all as amended and extended ~~(and~~
17 irrespective of what officer, department, or agency may be
18 now exercising any such power, function, or duty) are,
19 insofar as they relate to sugar, hereby transferred to and
20 shall be executed by the Secretary of Agriculture.

21 ~~(b)~~ Every order, directive, rule, or regulation relating
22 to any power, function, or duty transferred by subsection
23 ~~(a)~~ of this section, issued by any officer, department, or agency
24 heretofore performing such power, function, or duty, which
25 is not in conflict with the provisions of this Act and which is

1 in effect on the date of the enactment of this Act, shall con-
2 tinue in full force and effect, according to its terms, unless
3 and until modified or rescinded by the Secretary of Agri-
4 culture.

5 (e) So much of the unexpended balances of appro-
6 priations, allocations, or other funds, and the property, avail-
7 able for the use of any officer, department, or agency in the
8 exercise of any power, function, or duty transferred by sub-
9 section (a) of this section or for the use of the Secretary of
10 Agriculture in the exercise of any power, function, or duty so
11 transferred, as the Director of the Bureau of the Budget
12 shall determine, shall be transferred for use in connection
13 with the exercise of such powers, functions, or duties. In de-
14 termining the amount to be transferred, the Director of the
15 Bureau of the Budget may include an amount to provide for
16 the liquidation of obligations incurred against such balances
17 of appropriations, allocations, or other funds prior to the
18 transfer. Such personnel as the Director of the Bureau of
19 the Budget determines to be required may also be transferred
20 temporarily to the Department of Agriculture pending
21 termination in whole or in part of the powers, functions, and
22 duties transferred by subsection (a) of this section. There
23 are authorized to be appropriated to the Secretary of Agri-
24 culture such sums as may be necessary to carry out the pro-

visions of this Act: *Provided*, That nothing in this section shall in anywise be construed to violate any of the Veterans Preference Act of 1944.

SEC. 4. (a) It shall be unlawful for any person to do or omit to do any act, in violation of any order, directive, rule, or regulation continued in effect by section 3 (b) of this Act or issued in the exercise of any power, function, or duty transferred by section 3 (a) of this Act.

(b) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Secretary of Agriculture in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

(c) Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than \$5,000, or to imprisonment for not more than two years in the case of a violation of subsection (b) and for not more than one year in all other cases, or to both such fine and imprisonment.

SEC. 5. As used in this Act—

(a) The term "person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency

1 thereof, or any other government, or any of its political sub-
2 divisions, or any agency of any of the foregoing: *Provided*,
3 That no punishment provided by this Act shall apply to the
4 United States, or to any such government, political subdivi-
5 sion, or agency.

6 (b) The term "sugar" means any grade or type of sac-
7 charine product derived from sugarcane, sugar beets, or corn,
8 including liquid sugar, sirups, molasses, or mixtures thereof,
9 and sugar-containing products, which contain sucrose, dex-
10 trose, or levulose.

11 That, notwithstanding any other provisions of law, (1) the
12 Emergency Price Control Act of 1942 (56 Stat. 23); the
13 Stabilization Act of 1942 (56 Stat. 765); title III and title
14 XIV of the Second War Powers Act, 1942 (56 Stat. 177);
15 and the Act of July 2, 1940 (54 Stat. 714), all as amended
16 and extended, shall continue in effect with respect to sugar
17 to and including October 31, 1947, except that authority to
18 continue inventory controls over other than household users
19 may be exercised to and including March 31, 1948; (2) sugar
20 may be allocated without regard to the provisions of title II of
21 the War Mobilization and Reconversion Act of 1944 (58
22 Stat. 787); and (3) the term "sugar", as used in this Act,
23 means any grade or type of saccharine product derived from
24 sugarcane, sugar beets, or corn, including liquid sugar, sirups,
25 molasses, or mixtures thereof, and sugar-containing products,

1 *which contain sucrose, dextrose, or levulose: Provided, That*
2 *the authority contained herein shall not be deemed to permit the*
3 *allocation or rationing of, or price control over, any product*
4 *unless a regulation with respect to such product was outstand-*
5 *ing or in effect on February 18, 1947, other than the alloca-*
6 *tion of such products imported or brought into the continental*
7 *United States: And provided further, That refined sugar*
8 *shall be allocated for home consumption at a rate of not less*
9 *than thirty-five pounds per capita per calendar year, and any*
10 *increase in the amount of sugar available for allocation in*
11 *the calendar year 1947 over the amount recommended by the*
12 *International Emergency Food Council for allocation to the*
13 *United States for 1947 shall be allocated for home consump-*
14 *tion until the allocation for such use equals fifty pounds of*
15 *refined sugar per capita.*

16 *SEC. 2, Prior to the expiration of this Act, the Secretary*
17 *of Agriculture is hereby authorized and directed to remove*
18 *any or all controls with respect to any product over which*
19 *control is authorized by this Act when he determines that the*
20 *supplies of sugar are sufficient to warrant such action.*

21 *SEC 3. (a) The powers, functions, and duties of (1)*
22 *the President under title III of the Second War Powers*
23 *Act, 1942, (2) the President or any executive department*
24 *under the Act of July 2, 1940, and (3) the Price Adminis-*
25 *trator under the Emergency Price Control Act of 1942 and*

1 *the Stabilization Act of 1942, all as amended and extended,*
2 *shall, insofar as they relate to sugar, be vested in and exe-*
3 *cuted by the Secretary of Agriculture upon the enactment*
4 *of this Act.*

5 *(b) All orders, directives, rules, and regulations relating*
6 *to any function transferred by this section or issued in con-*
7 *nection therewith by any agency heretofore performing such*
8 *function, which are in effect on the date of enactment of this*
9 *Act, shall continue in full force and effect unless and until*
10 *modified or revoked by the Secretary of Agriculture or at his*
11 *direction or under his authorization.*

12 *(c) So much of the unexpended balances of appropria-*
13 *tions, allocations, or other funds and the property available*
14 *for the use of any agency in the exercise of any function*
15 *transferred by this Act or for the use of the Secretary of*
16 *Agriculture in the exercise of any function so transferred*
17 *as the Director of the Bureau of the Budget shall determine,*
18 *shall be transferred for use in connection with the exercise*
19 *of such functions. In determining the amount to be trans-*
20 *ferred, the Director of the Bureau of the Budget may include*
21 *an amount to provide for the liquidation of obligations in-*
22 *curred, against such balances of appropriations, allocations,*
23 *or other funds prior to the transfer. Such personnel as*
24 *required may also be transferred temporarily to the Depart-*
25 *ment of Agriculture pending termination of the functions*

1 authorized hereunder. The annual and sick leave of per-
2 sonnel so transferred shall be transferred with them; and they
3 shall be entitled to the benefits of section 14 of the Veterans'
4 Preference Act of 1944 to the same extent and effect as
5 though they had remained employees of the agency from which
6 transferred until the termination of such functions. Any
7 personnel so transferred shall not, by virtue of their tempo-
8 rary employment in the Department of Agriculture, acquire
9 or be entitled to any right to employment in such Department
10 in connection with the exercise of any function other than a
11 function transferred under this Act. There are authorized
12 to be appropriated to the Secretary of Agriculture such sums
13 as may be necessary to carry out the provisions of this Act.

14 (d) With respect to violations, liabilities incurred, or
15 appeals taken thereunder, all provisions of orders, directives,
16 rules, and regulations, pertaining to sugar heretofore issued
17 under the Acts referred to in section 1 hereof, shall be deemed
18 to remain in full force and effect for the purpose of sustaining
19 any proper suit, action, or other proceeding with respect to
20 any such violations, liabilities, or appeals.

21 SEC. 4. The Secretary of Agriculture, in exercising the
22 allocation and rationing authority transferred to him by sec-
23 tion 3 of this Act, shall make available not less than fifty
24 thousand tons of refined sugar for other than provisional-
25 allotment users during the period from April 1, 1947, to

1 *March 31, 1948, to provide for the needs of new industrial-*
2 *sugar users (with particular reference to the needs of shortage*
3 *areas caused by population shifts) and for the needs of those*
4 *who have an insufficient base period history to operate cur-*
5 *rently at competitive levels (and shall consider, as a deter-*
6 *mining factor in those cases where there is such insufficient*
7 *base period history, the rate of growth of such user prior*
8 *to the base period year).*

Passed the House of Representatives March 21, 1947.

Attest:

JOHN ANDREWS,

Clerk.

Passed the Senate with an amendment March 27 (legislative day, March 24), 1947.

Attest:

CARL A. LOEFFLER,

Secretary.

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 27 (legislative day, MARCH 24), 1947

Ordered to be printed with the amendment of the Senate

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Buildings and grounds. "The committee has approved an item of \$2,700,000 for salaries and expenses for maintenance and operation of public buildings and grounds in the District of Columbia. The item is necessary largely because of failure of the original budget for 1947 to include estimates for all charges. During the war it was probably necessary for this item to be handled on a deficiency basis, but the committee sees no need for that approach in the future. The Bureau of the Budget should immediately restudy the pending 1948 estimate, with a view to making such revisions therein as may be necessary to provide for the whole cost in the original appropriation."

Foreign relief. "There is also pending before the committee an estimate of \$725,000,000 for these purposes for the fiscal year 1948. The amount of \$300,000,000, included in the accompanying bill, will provide all necessary supplies required until September or October. The committee is willing, of course, to make reasonable provision of funds for feeding the peoples of the vanquished countries but is also anxious to see every step, consonant with the interests of the United States and its Allies and the establishment of the peace of the world, toward placing these nations on a self-sufficient basis so far as food and other human requirements are concerned, accomplished at the earliest practicable date."

It is expected that debate on this bill will begin today.

2. SUGAR CONTROLS. Reps. Wolcott, Gamble, Smith of Ohio, Kunkel, Spence, Brown of Ga., and Patman were appointed conferees on H. J. Res. 146, to continue sugar controls and transfer them to this Department (p. 2916).

Received the conference report on this measure (pp. 2917-8). The revised measure is similar "in most respects" to the measure as passed by the House. However, the revision changes the provision regarding hardship cases, new users, and users who have no base-period history; requires 25,000 tons of refined sugar to be made available to these persons; provides for 35 pounds a person and up to 50 pounds if supplies become available; and carries the following personnel provision: "The annual and sick leave of personnel so transferred shall be transferred with them; and they shall be entitled to the benefits of section 14 of the Veterans' Preference Act of 1944 to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such powers, functions and duties. Any personnel so transferred shall not, by virtue of their temporary employment in the Department of Agriculture, acquire or be entitled to any right to employment in such Department in connection with the exercise of any power, function, or duty other than one transferred under this Act."

3. APPROPRIATIONS. Received from the President a 1948 Budget amendment eliminating the requirement that CCC maintain its accounts on an accrual rather than obligation basis and, accordingly, reducing the CCC administrative-expense limitation by \$50,000 (H. Doc. 186) (p. 2931). To Appropriations Committee.

4. TOBACCO MARKETING. The Agriculture Committee reported without amendment H. J. Res. 152 (H. Rept. 199) (p. 2931). This measure provides that, beginning with the 1947-8 marketing year, the Secretary shall proclaim a national marketing quota for Va. sun-cured tobacco whenever marketing quotas are proclaimed or are in effect for fire-cured tobacco, and shall hold a referendum thereon; and, if approved in the referendum, quotas for Va. sun-cured tobacco shall be in effect for those marketing years in which quotas are in effect for fire-cured tobacco.

5. WAR POWERS. Both Houses received the conference report on S. 931, to extend certain war powers under Title III of the Second War Powers Act (S. Doc. 25) (pp. 2914, D73). Earlier in the day Sens. Donnell and Magnuson had been named addi-

tional conferees (p. 2914). The bill agreed on by the conferees removes after Mar. 31, 1947, all war powers unless extended by specific legislation, with the exception of the powers under Title III, which shall remain in force until June 30, 1947 for the purpose of allocating certain drugs, fibers, metals, tractors for export, the use of railroad transportation equipment, and certain other materials for export. The bill also prohibits the allocation of any material not being allocated on Mar. 24, 1947, and specifically states that its provisions do not apply to sugar and rubber.

6. ELECTRIFICATION. Rep. Trimble, Ark., spoke on the progress of electric power projects in Ark. and urged cooperation between private companies and Government programs (pp. 2929-31).

7. ADJOURNED until Mon., Mar. 31 (p. 2931).

SENATE

8. APPROPRIATIONS. Passed without amendment H.J.Res. 159, making deficiency appropriations to cover pay costs of various departments (does not include USDA) (p. 2906). This measure will now be sent to the President.

9. TRANSPORTATION. Passed without amendment H.R. 1240 and H.J.Res. 76, to suspend certain navigation and inspection laws pertaining to the operation of vessels operated by the War Department and the merchant marine (pp. 2882-3). These measures will now be sent to the President.

10. SELECTIVE SERVICE. Agreed to House amendments to S. 918, to establish an Office of Selective Service Records to liquidate the Selective Service System following the termination of its functions on Mar. 31, 1947, and to preserve and service the selective-service records (pp. 2979-80). This bill will now be sent to the President.

11. COMMODITY EXCHANGE. Received from this Department the final report of an investigation by the Commodity Exchange Authority of the recent decline in the cotton market and suggesting possible remedies to prevent a repetition (p. 2876).

12. FLOOD CONTROL. Received Calif. Legislature resolutions urging appropriations for the construction of flood-control projects in Merced County, Calif. and on the San Joaquin River (p. 2876).

13. AUDIT REPORT. Received from GAO the audit reports of the Home Owners' Loan Corporation for the fiscal years 1945 and 1946 (p. 2876).

14. PUBLIC LANDS. Agreed to a resolution granting the Public Lands Committee additional time (until May 31, 1947) to make its final report on investigation of the administration of public lands during the 79th Cong. (p. 2880).

15. NATIONAL DEFENSE INVESTIGATION. Agreed to a resolution granting the National Defense Investigation Committee an additional \$150,000 to conduct investigations (p. 2911).

16. ELECTRIFICATION; RECLAMATION. Sen. Morse, Oreg., spoke in favor of continuing the development of power, reclamation, flood control, and soil conservation projects in the Pacific Northwest, and inserted resolutions from Portland, Oreg., on the subject (pp. 2911-13).

17. RECESSED until Mon., Mar. 31 (p. 2915).

BILLS INTRODUCED

18. GRANT LANDS. S. 991, by Sen. Young, N.Dak., to provide for the settlement of certain parts of Alaska by war veterans. To Public Lands Committee. (p. 2877).
19. SCHOOL-LUNCH PROGRAM. S. 998, by Sen. Pepper, Fla., to provide additional funds for the fiscal year 1947 to enable the Secretary of Agriculture to carry out the provisions of the National School Lunch Act. To Appropriations Committee. (p. 2877).
20. PERSONNEL; VETERANS. S. 999, by Sen. Cain, Wash., to amend the Veterans' Preference Act with respect to preference accorded in Federal employment to disabled veterans. To Civil Service Committee. Remarks of author. (pp. 2878-9).
H.R. 2844, by Rep. Rees, Kans., to amend the Veterans' Preference Act by removing therefrom certain inequities. To Post Office and Civil Service Committee. (p. 2931.)
21. ROADS. H.R. 2838, by Rep. Cunningham, Iowa, to amend the act entitled "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes." To Public Works Committee. (p.2931.)
H.R. 2840, by Rep. Wigglesworth, Mass., relating to the assumption of contractual obligations by the Federal Government to make grants-in-aid with respect to Federal-aid highways and roads. To Public Works Committee. (p.2931.)
22. RECLAMATION. H.R. 2841, by Rep. Barrett, Wyo., to authorize the construction of certain Federal reclamation works in the upper basin of the Colo. River. To Public Lands Committee. (p. 2931.)
23. APPROPRIATIONS. H.R. 3849, by Rep. Taber, N.Y., making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1947. To Appropriations Committee. (p. 2931.)
24. LANDS. H.R. 2852, by Rep. Morton, Ky., to provide for the addition of certain surplus Government lands to the Otter Creek Recreational Demonstration Area, Ky. To Public Lands Committee. (p. 2931.)
25. INVENTORIES. H.R. 2847, by Rep. Weichel, Ohio, to provide for examination and investigation of inventories of Government-owned property. To Expenditures in the Executive Departments. (p. 2931.) Remarks of author (p. 2919).

ITEMS IN APPENDIX

26. SUGAR. Speech in the House by Rep. Gamble, N.Y., criticizing this Department's regulation prohibiting importation of Cuban sirups and allowing jellies, etc. to be imported from Cuba (pp. A1416-7).
27. WAR POWERS. Speech in the House by Rep. Miller, Nebr., opposing continuation of wartime controls (pp. A1419-20).
28. FLOOD CONTROL; ELECTRIFICATION. Rep. Schwabe, Okla., inserted a constituent's letter and a newspaper article criticizing the use of flood-control funds for building power plants (pp. A1415-6).
29. FOREIGN RELIEF. Several remarks and insertions on aid to Greece and Turkey (pp. A1413, A1414, A1426, A1429-30).
30. PRICES. Sen. Murray, Mont., inserted a Washington Post editorial, "Price Makers" (p. A1423).

31. EDUCATION. Sen. Hill, Ala., inserted his address before the Ala. Education Assoc., "The Crisis in American Education" (pp. A1420-2).
32. UN-AMERICAN ACTIVITIES. Rep. Thomas, N.J., inserted J. Edgar Hoover's (FBI) statement on Un-American activities (pp. A1409-12).

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COMMITTEE-HEARINGS ANNOUNCEMENTS for Mar. 31: S. Agriculture, wool prices; H. Appropriations, Agricultural appropriation bill (ex.); S. Foreign Relations, aid to Greece and Turkey; S. Finance, International Trade Organization; H. Public Lands, homesteading by veterans in Alaska.

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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Mr. WHERRY. The Chair is correct, that is the pending business, but unanimous consent has been granted that the junior Senator from California shall have the floor on Monday at noon.

The PRESIDING OFFICER. That was previously agreed to.

RECESS

Mr. WHERRY. I move that the Senate stand in recess until Monday next at noon.

The motion was agreed to; and (at 6 o'clock and 3 minutes p. m.) the Sen-

No. 59—6

ate took a recess until Monday, March 31, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 28 (legislative day of March 24), 1947:

UNITED STATES PUBLIC HEALTH SERVICE

The following named candidates for promotions in the Regular Corps of the Public Health Service:

SURGEON TO BE TEMPORARY SENIOR SURGEON

John B. Alsever

NURSE OFFICER TO BE TEMPORARY SENIOR NURSE OFFICER

Minnie E. Pohe

IN THE NAVY

BUREAU OF AERONAUTICS

Rear Adm. Alfred M. Pride, United States Navy, to be Chief of the Bureau of Aeronautics in the Department of the Navy for a term of 4 years.

CONFIRMATION

Executive nomination confirmed by the Senate March 28 (legislative day of March 24), 1947:

DEPARTMENT OF LABOR

William R. McComb to be Administrator, Wage and Hour Division, Department of Labor.

House of Representatives

FRIDAY, MARCH 28, 1947

The House met at 12 o'clock noon.
The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Great and marvelous are Thy works, Lord God. Let Thy work appear unto Thy servants and Thy glory unto their children. We most humbly acknowledge our sins; forgive us and teach us that every renunciation brings us nearer to upright and courageous living. The years gone by are ours by inheritance; the fruits of the future depend upon our decisions. Lay Thy hand upon us that the welfare of our country may be held in the folds of every conscience, and lead us to carry our obligation to the altar of the Lord. O inspire this Congress ever to safeguard the rights of our citizens, until the waste places of our land shall blossom as the rose. In all our intricate relationships unite us in a fellowship of cooperation for the common good, exercising courtesy, restraint, and honor. We pray in the name of the world's Saviour, whose crown mocks all the diadems of time. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 146. Joint resolution to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing joint resolution, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TOBEY, Mr. FLANDERS, and Mr. MAYBANK to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 931) entitled "An act to extend certain powers of the President under title III of the Second War Powers Act," agrees to a conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WILEY, Mr. COOPER, and Mr. McGRATH to be the conferees on the part of the Senate.

AUTHORIZING SPEAKER TO SIGN ENROLLED BILLS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent notwithstanding the adjournment of the House until Monday that the Clerk be authorized to receive messages from the Senate and the Speaker be authorized to sign any bills and joint resolutions duly passed by the two Houses and found duly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DISPENSING WITH CALL OF PRIVATE CALENDAR ON TUESDAY NEXT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar on Tuesday next be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CALL OF THE COMMITTEES ON WEDNESDAY NEXT DISPENSED WITH

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the call of the committees in order on Wednesday next be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SECOND WAR POWERS ACT

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House may have until midnight Saturday to file a report on the Second War Powers Act.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISTRIBUTION AND PRICING OF SUGAR

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 146, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WOLCOTT, GAMBLE, SMITH of Ohio, KUNKEL, SPENCE, BROWN of Georgia, and PATMAN.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the conferees on the part of the House on House Joint Resolution 146 may have until midnight tomorrow night to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT submitted the following conference report and statement:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That (a) notwithstanding any other provisions of law, the Emergency Price Control Act of 1942 (56 Stat. 23); the Stabilization Act, 1942 (56 Stat. 765); title III of the Second War Powers Act, 1942 (56 Stat. 177), and the amendment to existing law made thereby; title XIV of the Second War Powers Act, 1942 (56 Stat. 177); and section 6 of the Act of July 2, 1940 (54 Stat. 714), all as amended and extended, shall continue in effect with respect to sugar to and including October 31, 1947, except that authority to continue inventory controls over other than household users may be exercised to and including March 31, 1948: *Provided, however, That—*

"(1) the authority contained herein shall not be deemed (i) to permit the allocation or rationing of any product (other than the allocation of such product imported or brought into the continental United States) unless a regulation providing for allocation or rationing thereof was in effect on February 18, 1947, or (ii) to permit price control over any product unless a price-control regulation with respect thereto was in effect on February 18, 1947;

"(2) no person shall be subject to any criminal penalty or civil liability, under any provision of law referred to above, on account of any act or omission which is made unlawful by section 4 of this Act;

"(3) no provision of section 204 (d) or (e) of the Emergency Price Control Act of 1942, as amended, shall apply (i) in any proceeding, involving a regulation or order with respect to sugar, in which an injunction or other order of a court is hereafter applied for, or (ii) in any proceeding, under section 37 of the Criminal Code, which is based on a conspiracy involving any act or omission which is made unlawful by section 4 of this Act;

"(4) in the case of any regulation or order with respect to sugar, no protest may be hereafter filed under section 203 of the Emergency Price Control Act of 1942, as amended; and

"(5) hereafter no person shall be required to, secure a license, and no license shall be issued to any person, under section 205 of the Emergency Price Control Act of 1942, as amended, for the purpose of providing for the enforcement of any regulation or order relating to sugar.

"(b) The Secretary of Agriculture, in exercising the powers, functions, and duties transferred to him by section 3 of this Act,—

"(1) may allocate sugar without regard to the provisions of title II of the War Mobilization and Reconversion Act of 1944 (58 Stat. 787);

"(2) shall allocate refined sugar for home, consumption at a rate of not less than thirty-five pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals fifty pounds of refined sugar per capita; and

"(3) shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, make available, for other than provisional-allotment users, not less than 12,500 tons of refined sugar during the period from the date of the enactment of this Act to and including June 30, 1947, and not less than 12,500 tons of refined sugar during the period from July 1, 1947, to and including October 31, 1947, to provide for the needs of hardship cases, for the needs of new industrial-sugar users (with particular reference to the needs of shortage areas caused by population shifts) and for the needs of those who have an insufficient base period history to operate currently at competitive levels (and shall consider, as a determining factor in those cases where there is such insufficient base period history, the rate of growth of such user prior to the base period year).

"SEC. 2. Prior to the expiration of the authority granted by this Act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this Act when he determines that the supplies of sugar are sufficient to warrant such action.

"SEC. 3. (a) The powers, functions, and duties of (1) the President under title III of the Second War Powers Act, 1942, and the amendment to existing law made thereby; (2) the President or any executive department under section 6 of the Act of July 2, 1940; (3) the Price Administrator under the Emergency Price Control Act of 1942; and (4) the President and the Price Administrator under the Stabilization Act of 1942, all as amended and extended (and irrespective of what officer, department, or agency may be now exercising any such power, function, or duty) are, insofar as they relate to sugar, hereby transferred to and shall be executed by the Secretary of Agriculture.

"(b) Every order, directive, rule or regulation relating to any power, function, or duty transferred by subsection (a) of this section, issued by any officer, department, or agency heretofore performing such power, function, or duty, which is not in conflict with the provisions of this Act and which is in effect on the date of the enactment of this Act, shall continue in full force and effect, according to its terms, unless and until modified or rescinded by the Secretary of Agriculture.

"(c) So much of the unexpended balances of appropriations, allocations, or other funds, and the property, available for the use of any officer, department, or agency in the exercise of any power, function, or duty transferred by subsection (a) of this section or for the use of the Secretary of Agriculture in the exercise of any power, function, or duty so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of such powers, functions, or duties. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such balances of appropriations, allocations, or other

funds prior to the transfer. Such personnel as the Director of the Bureau of the Budget determines to be required may also be transferred temporarily to the Department of Agriculture pending termination of the powers, functions, and duties transferred by subsection (a) of this section. The annual and sick leave of personnel so transferred shall be transferred with them; and they shall be entitled to the benefits of section 14 of the Veterans' Preference Act of 1944 to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such powers, functions, and duties. Any personnel so transferred shall not, by virtue of their temporary employment in the Department of Agriculture, acquire or be entitled to any right to employment in such Department in connection with the exercise of any power, function, or duty other than one transferred under this Act. There are authorized to be appropriated to the Secretary of Agriculture such sums as may be necessary to carry out the provisions of this Act.

"SEC. 4. (a) It shall be unlawful for any person to do or omit to do any act, in violation of any order, directive, rule, or regulation continued in effect by section 3 (b) of this Act or issued in the exercise of any power, function, or duty transferred by section 3 (a) of this Act.

"(b) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Secretary of Agriculture in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

"(c) Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than \$5,000, or to imprisonment for not more than two years in the case of a violation of subsection (b) and for not more than one year in all other cases, or to both such fine and imprisonment.

"SEC. 5. As used in this Act—

"(a) The term 'person' includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this Act shall apply to the United States, or to any such government, political subdivision, or agency.

"(b) The term 'sugar' means any grade or type of saccharine product derived from sugarcane, sugar beets, or corn, including liquid sugar, sirups, molasses, or mixtures thereof, and sugar-containing products, which contain sucrose, dextrose, or levulose.

"SEC. 6. (a) Section 2 (a) of the Administrative Procedure Act, as amended, is amended by inserting after 'Surplus Property Act of 1944,' the following: 'Sugar Control Extension Act of 1947;'

"(b) This Act may be cited as the 'Sugar Control Extension Act of 1947.'

And the Senate agree to the same.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.

BURNET R. MAYBANK,
RALPH E. FLANDERS,
CHARLES W. TOBEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of

the Senate to the joint resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommend in the accompanying conference report:

The substitute agreed to in conference is similar in most respects to the joint resolution as it passed the House but there are differences which are explained below in this statement.

Section 1 of the joint resolution as passed by the House, after providing for temporary continuance of specified provisions of law, included the following provision:

"(2) no person shall be subject to any criminal penalty or civil liability, under any such provision of law, on account of any act or omission which is made unlawful by section 4 of this Act;"

In the conference substitute the words "under any provision of law referred to above" have been used instead of the words "under any such provision of law". This change is merely to make it perfectly clear that the provisions of law referred to are the ones cited in the introductory language to section 1.

Section 1 of the joint resolution passed by the House contained a subsection (b) as follows:

"(b) Notwithstanding the provisions of any other law, the Secretary of Agriculture, in exercising the allocation and rationing authority transferred to him by section 3 of this Act, shall in a manner consistent with the maintenance of an effective national allocation and rationing program, provide for the needs of hardship cases, for the needs of new sugar users, and for the needs of those who have no base period history."

This provision has been omitted from the conference substitute, but in lieu thereof provisions have been included providing that the Secretary of Agriculture, in exercising the powers, functions, and duties transferred to him by section 3 of the act, (1) may allocate sugar without regard to the provisions of title II of the War Mobilization and Reconversion Act of 1944; and (2) shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, make available for other than provisional-allotment users, not less than 12,500 tons of refined sugar during the period from the date of the enactment of this act to and including June 30, 1947, and not less than 12,500 tons of refined sugar during the period from July 1, 1947, to and including October 31, 1947, to provide for the needs of hardship cases, new industrial-sugar users (with particular reference to the needs of shortage areas caused by population shifts) and for the needs of those who have an insufficient base period history to operate currently at competitive levels (and shall consider, as a determining factor in those cases where there is such insufficient base period history, the rate of growth of such user prior to the base period year).

The provision referred to in clause (1) of the preceding paragraph is taken from the Senate amendment, and merely makes more specific the intent of one of the provisions of the House joint resolution which is omitted from the conference substitute. The provision referred to in clause (2) of the preceding paragraph is a modification of section 4 of the Senate amendment. That section provided that the Secretary of Agriculture should make available not less than 50,000 tons of refined sugar, for other than provisional-allotment users, during the period from April 1, 1947, to March 31, 1948, to provide for the same needs (other than the needs of hardship cases) which are to be provided for under the provision of the conference substitute here being discussed.

The reduction from 50,000 to 25,000 tons made by this provision is in consideration of the fact that the amount referred to in the Senate amendment would have been allocated over a full year, whereas the provision in the conference substitute makes provision for a period from the date of the enactment of this act until October 31, 1947. In providing that the Secretary of Agriculture shall make such sugar available in a manner consistent with the maintenance of an effective national allocation and rationing program, and in making provision for hardship cases, this provision of the conference substitute follows the provision of the House joint resolution.

It is the intention that the Secretary, in exercising his allocation powers under this legislation, shall make just and reasonable provision for meeting need for sugar to avoid wastage of milk and other food products. The conferees are confident that such provision will be made because of assurances given to the Senate committee and referred to in the report of that committee on Senate Joint Resolution 58.

There is also included in the conference substitute a provision taken from the Senate amendment requiring that the Secretary of Agriculture in exercising the powers, functions, and duties transferred to him shall allocate refined sugar for home consumption at a rate of not less than 35 pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals 50 pounds of refined sugar per capita.

Section 1 of the joint resolution as passed by the House contained the following subsection which is omitted from the conference substitute:

"(c) Nothing herein shall restrict the import of products of consumer size containers of not more than three pounds net each or more than one-half United States liquid gallons each, providing importers of such products shall obtain certification from the proper government officials of the exporting country that products so shipped shall have been produced out of domestic quota sugar."

In that part of section 3 of the joint resolution as passed by the House, which dealt with the temporary transfer of employees, the following proviso was included:

"Provided, That nothing in this section shall in anywise be construed to violate any of the Veterans' Preference Act of 1944."

In lieu of this proviso there has been included in the conference substitute the following provision taken substantially from the Senate amendment:

"The annual and sick leave of personnel so transferred shall be transferred with them; and they shall be entitled to the benefits of section 14 of the Veterans' Preference Act of 1944 to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such powers, functions and duties. Any personnel so transferred shall not, by virtue of their temporary employment in the Department of Agriculture, acquire or be entitled to any right to employment in such Department in connection with the exercise of any power, function, or duty other than one transferred under this Act."

Section 6 of the conference substitute makes an amendment to the Administrative Procedure Act so as to continue, with respect to the exercise of the authority transferred by this legislation, the exemption from such act which is now applicable in the case of the exercise of such authority. This section also provides that this act may be cited as the "Sugar Control Extension Act of 1947."

The Senate amendment contained a subsection 3 (d) providing for continuance in effect of orders, directives, rules, and regulations, pertaining to sugar, for the purpose of sustaining any proper suit, action, or proceeding with respect to violations, liabilities, or appeals. This provision has been omitted from the conference substitute solely on the ground that it was deemed unnecessary. By other provisions of the conference substitute orders, directives, rules, and regulations pertaining to sugar are continued in effect, and there is nothing in the conference substitute which would prevent them from being in effect for the purposes referred to in the Senate section 3 (d). Furthermore, section 13 of the Revised Statutes (U. S. C., 1940 ed., supp. V, title 1, section 29) provides that—

"The repeal of any statute shall not have the effect to release or extinguish any penalty, forfeiture, or liability incurred under such statute, unless the repealing Act shall so expressly so provide, and such statute shall be treated as still remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of such penalty, forfeiture, or liability. The expiration of a temporary statute shall not have the effect to release or extinguish any penalty, forfeiture, or liability incurred under such statute, unless the temporary statute shall so expressly provide, and such statute shall be treated as still remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of such penalty, forfeiture, or liability."

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.

EXTENSION OF REMARKS

Mr. DIRKSEN asked and was given permission to extend his remarks in the RECORD under the title "Seventy-two Pearl Harbors Every Year."

Mr. BENDER asked and was given permission to extend his remarks in the RECORD and include an article from the Cleveland Plain Dealer.

SPECIAL ORDER GRANTED

Mr. BENDER. Mr. Speaker, I ask unanimous consent that I may address the House today for 10 minutes, following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

EXTENSION OF REMARKS

Mr. RIEHLMAN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Syracuse Post Standard.

PERMISSION TO ADDRESS THE HOUSE

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ROME, N. Y., AIR BASE

Mr. EDWIN ARTHUR HALL. Mr. Speaker, it has come to me on reliable information today that the Rome, N. Y., air base and depot is to be put in the inactivated class. On the basis of dozens and dozens of protests that I have received from people in my district due to

the economic importance of this great air terminal in the central part of New York State, I protest and protest loudly to the War Department against such action. This is one of the most important air terminal points in central New York State. Although it is not in my district, the people of my district have gained a great deal of benefit from it. I think it is an economic tragedy or calamity, if you want to put it that way, to have this great depot put in the inactivated class. A large part of upstate New York depends upon this base for air communication with the rest of the country. Let us hope the War Department will find ways and means to keep the Rome airport open.

The SPEAKER. The time of the gentleman from New York has expired.

EXTENSION OF REMARKS

Mr. MEADE of Kentucky asked and was given permission to extend his remarks in the RECORD and include a statement on the Centralia mine disaster, together with an editorial appearing in today's Washington Post.

Mr. DEANE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD and include excerpts.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous material.

PERMISSION TO ADDRESS THE HOUSE

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

UNITED STATES SHIPS IN EUROPE ON LEND-LEASE

Mr. ELLIS. Mr. Speaker, since the Greek problem has become the burning question of the hour, there has been extremely interesting developments.

Today we are attracted by a newspaper headline: "1,700 United States ships still in Europe on lend-lease." The item states that Russia holds 577 of these vessels. She has returned none of the ships it borrowed from the United States Navy, and further:

The lend-lease ships figure importantly in Navy plans for aiding the anti-Russian bloc in Europe. The Navy already has sold to Turkey eight surplus minesweepers loaned to England and six minesweepers and other vessels to Greece.

Thus the administration in the operation of its complex foreign policy has loaned 577 ships to be used in the service of the communistic states and sold 14 to Greece and Turkey, who, we are told, are in a death struggle defending themselves against communism.

Considering the history of our Government for the past 14 years and the administration's acceptance and adoption of totalitarian ideals as manifested through their planned and controlled economy, it appears that their distribution of ships gives a true picture of

Welles, former Under Secretary of State. His long experience in handling international problems should make him a good judge of what might happen if the present troubles of Greece are dumped into the lap of the newly born babe known as the United Nations. I commend to my colleagues a careful reading of what Mr. Welles has to say:

AMERICAN AID

(By Sumner Welles)

ARE WE DESTROYING THE UN?

The line that Soviet propaganda will follow in its effort to combat the administration's foreign policy is clearly indicated in the editorials already published in *Izvestia* and *Pravda*.

These first attacks have harped upon two main issues. One is the charge that the proposed assistance by the United States to Greece and Turkey represents nothing more than imperialistic expansion under the guise or charity. This argument will not cut much ice in the United States. But it will prove effective in Europe, and it will serve to arouse nationalistic suspicions in the Near East. It may well raise a continuing backfire against this country.

The second issue is the charge that President Truman's proposals will destroy the United Nations. This charge is meeting with considerable popular support in the United States and Great Britain. It will be employed more and more frequently by the direct and indirect accomplices of the Soviet Union in the western democracies.

The Soviet-controlled press claims that, were the President's recommendation to be carried out, United States support for the United Nations would be rendered valueless, and declares that, while "Mr. Truman in his message mentioned the United Nations several times, this was obviously necessary in order to disavow this organization despite the existing obligations of the American Government toward the United Nations."

Such propaganda is highly effective because of the sincere belief of many hundreds of thousands of persons in this country, that because the United Nations has now been established, it must consequently be prepared automatically to solve every problem that may arise. They feel that any failure on the part of this country presently to submit to the United Nations questions whose solution must vitally affect its own safety amounts to sabotage of the international organization.

The only way in which Soviet propaganda of this kind can be successfully met is for every American citizen to be willing to take the trouble to familiarize himself with the present status of the United Nations, and to try to recognize its present limitations.

The truth is that the United Nations is in the first stage of its formative period. The Security Council has no law-enforcement agencies under its control. It has so far been unable to agree upon the constitution of an international police force, a program for disarmament, or a statute for the control of atomic energy. Neither the Assembly nor the Economic and Social Council has at its disposal funds with which economic emergencies can be relieved.

The crux of the matter is, of course, that the objectives sought by the Soviet Union and by the United States in the eastern Mediterranean are diametrically opposed. Moscow desires the extension of Russian influence over Greece and Turkey notwithstanding the bitter opposition to communism of a great majority of the people of those two countries. The United States seeks to make sure that these two nations are going to be able to maintain their independence and to preserve their political integrity.

At this stage of its development the United Nations can take no positive action through the Security Council, unless the Soviet Union

and the United States are in accord as to the policies to be pursued. In the light of this self-evident truth, how could the United Nations today try to take any action in the case of Greece without thereby accentuating existing international antagonisms and risking a head-on collision between the world's two major powers?

The policy announced by President Truman is designed to promote the second purpose of the United Nations as set forth in article 1 of the Charter, namely, "respect for the principle of equal rights and self-determination of peoples." It is a policy which can only make for the growth of world conditions under which the United Nations can gradually become stronger and eventually assume all of its rightful responsibilities.

A crisis such as that which has arisen in Greece could only be handled by the United Nations with some prospect of success after the major powers have agreed upon the peace settlements, after the organization obtains the power and the authority needed to carry out the purposes for which it was established, and after each one of the major powers has been brought to realize that there exists in the world force sufficient to check all further attempts at military or ideological expansion, and reaches the conclusion that its individual security will be best safeguarded by universal respect for the "equal rights and self-determination of peoples."

It will be a healthy thing for this democracy if every American citizen will analyze the propaganda with which this country is now going to be flooded in the light of these cold, hard facts. If he does so, he will see that the policy recommended by President Truman will not destroy the United Nations but will, rather, make it possible for it to survive. What would in truth destroy the United Nations, and destroy it quickly, would be for this Government to force that Organization to take cognizance of basic international controversies which at this stage of its existence it is altogether unprepared, and wholly unable, to resolve.

Pfc Oliver Bacon, of Winslow, Ariz.

EXTENSION OF REMARKS

OF

HON. RICHARD F. HARLESS

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 28, 1947

Mr. HARLESS of Arizona. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the New York Times of March 26, 1947:

HIGHEST WAR OFFICERS PAY RESPECT TO
A PRIVATE

WASHINGTON, March 25.—With a five-star admiral, a five-star general, a four-star general, and half a dozen lesser luminaries in the room, an Army private was the center of attraction in the Senate caucus room this morning before hearings on the unification bill commenced.

General of the Army Dwight D. Eisenhower spotted the soldier, Pfc Oliver Bacon, of Winslow, Ariz., formerly of the Sixty-third Infantry Division, sitting in the audience and strode over to shake his hand. General Eisenhower beckoned to his colleagues, Fleet Admiral Chester W. Nimitz and Gen. Carl A. Spaatz, Air Forces Chief, and soon the three members of the United States Joint Chiefs of Staff were clustered around the soldier.

Private Bacon stood erect to accept their handshakes, but kept one hand on his cane. The private, who is stationed at Walter Reed Hospital, is blind.

False Yardstick

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 28, 1947

Mr. SCHWABE of Oklahoma. Mr. Speaker, I am just in receipt of a letter from a life-long Democrat, but not a New Dealer, expressing his views on some of the New Deal power programs. The author of this letter lives in an Oklahoma town close to the border of my district, where he has been operating a small business of his own for some 35 or 40 years, and is a highly respected citizen of his community.

Without further comment, I quote the letter and the newspaper article referred to in my friend's letter:

The enclosed article is along the lines I have been fighting for, for some time.

It is my candid opinion that the act of Congress providing for expenditure of taxpayers funds for flood control did not authorize the expenditure of said funds for the building of power plants. After enumerating the things that were authorized, these 4 words were added, "And for other purposes." This was construed by Mr. Ickes and the administration, as authority for the building of such power plants. Therefore, we contend that such plants belong to the taxpayers and should be operated by the standing army at commercial rates for the purpose of paying off our enormous national debt.

Thanking you for anything you may do in this behalf, I am,

FALSE YARDSTICK

(By Merrylye Stanley Rukeyser)

In this period of debunking the ballyhoo of the earlier period of magnificent nonsense, it is important to reappraise the view that public power constituted a yardstick for measuring private utilities.

This concept was a basic tenet of the New Deal which was repudiated at the polls by the voters on November 5, last.

Dr. Arthur V. Morgan, one-time president of Antioch College and first chairman of the Tennessee Valley Authority and himself an enthusiastic advocate of public power, was among the first of the insiders to reject the yardstick idea. In resigning in protest, Dr. Morgan said that the records were being fudged, and the cost sheet was being manipulated through shifting to flood control and other categories items which he deemed chargeable to the generation and distribution of public power.

But it now appears that even when the accounting is thoroughly objective that it is a delusion to assume that public power constitutes a yardstick for private power.

There are 4 points of basic difference between public power and private power, which make the belief that the results are comparable a sheer illusion.

First, Government-owned power projects enjoy artificial advantages in costs through tax preferences.

Secondly, government-owned projects enjoy artificial advantages in costs of capital through their special privilege of issuing low coupon tax exempt bonds. Frank McLaughlin, president of Puget Sound Power and Light Co., of Seattle, who is now east for his annual stockholders' meeting in Boston next week, estimates that these tax privileges give public power an advantage of 30 cents on every income dollar, and he believes that this

handicap is too great to be overcome by any miracle of management.

From the standpoint of the national economy, however, these "savings" by public power are not true economies. For if the national bookkeeping is completed in double entry form, it appears that the tax preferences enjoyed by public power merely transfer the burden of supporting Government from such privileged enterprises to others.

In the case of the apparent savings on the cost of capital, the effect is even more anti-social, for in giving tax exemption on the earnings of capital entrusted to public projects, the Government transfers the tax load which otherwise would be borne by investors to others.

This means in part that the tax load which should be borne by so-called unearned income on capital is shifted to those who earn income through the sweat of their brow or their brawn.

Thus government is in a conspiracy to lighten the burden on capital and shift the burden to labor.

Such shifting would be self-defeating if government ownership of industry became general.

Thirdly, where private power coexists with public power, as in the city of Seattle, a difficult situation is created. The Government-owned agency has certain inherent advantages that stem from being an instrument of government. In general, private business must depend on voluntary orders, whereas government has the latent power to exercise the big stick and use force. One manifestation of this is in reported instances of tie-in sales, where, for example, willingness of the city to extend water mains may be tied in with the suggestion that the industrial user agree to take power from the city.

Fourthly, with its city franchise expiring in 1952, Puget Power faces the reality that the power to extend or refuse to extend its franchise lies within the discretion of its competitor, the municipality of Seattle, which owns City Light, the competing agencies for distributing current for power and light.

In light of such circumstances, what becomes of the claim that the records of Government-owned utilities become yardsticks for measuring the efficiency of private companies?

Obviously a yardstick is meaningless for measuring activities that are incomparable.

Public power does not carry its full load of the cost of government. It gets capital at a discount through conferring privileges of tax exemption, which deprive government of revenue, which must be recouped from others.

Businessmen, who as opportunists take advantage of low rates offered by public power, are inviting socialization of their own industries by the extension of the logic in which they acquiesce.

The Border Patrol

EXTENSION OF REMARKS
OF

HON. R. WALTER RIEHLMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, March 28, 1947

Mr. RIEHLMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Syracuse Post-Standard.

I have been much concerned about the propaganda that has been published in respect to the recent Treasury appropriation bill. Due to this type of pub-

licity I have received considerable mail relative to the immediate curtailment of the border patrol. I was pleased to see that one newspaper which is from my own district came out with an editorial which explains my feelings on this subject and certainly contains the truth in respect to this bill.

POLITICAL SHENANIGANS

The Treasury Department is operating on a budget of \$695,400,104.49 this year.

The House of Representatives, giving first consideration to taxpayers, cut the budget \$80,000,000 for the coming fiscal year.

It still will have far more than it did before the war. Why, then, is it necessary to cut down on the border patrol? Why not eliminate some of the wartime bureaus no longer absolutely essential?

It looks very much as if there may be some political shenanigans in the situation, even though the Customs Bureau was cut by \$6,500,000.

The situation, with border patrol leaders hollering to high heaven that the border will be "wide open" to narcotics, refugees and other illegal goods, seems to reflect seriously on the Republican House.

Yet it is also probable that bureaucrats are trying to hang onto their jobs and are reluctant to go into the business of firing help now nonessential and shifting funds to provide for more essential divisions.

The Treasury Department, promised \$615,000,000 in funds, certainly ought to get along all right if it is directed with efficiency and sound common sense.

Distribution and Pricing of Sugar

SPEECH

OF

HON. RALPH A. GAMBLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, March 21, 1947

The House in Committee of the Whole House on the State of the Union had under consideration House Joint Resolution 146, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Mr. GAMBLE. Mr. Chairman, during the war certain American-owned companies at the request of the United States Army and with priorities granted by the United States Army, I am informed set up production facilities in Cuba for the production of certain food products, required by the Army, particularly guava jelly, to get vitamin C for the Army. They have now converted these facilities to the peacetime production of civilian consumer food products and are at the present time manufacturing jellies, jams, and certain types of sirups.

Cuba has been allocated out of the 1947 crop of sugar 740,000 tons, for Cuba's domestic use and for trading purposes with various South and Central American or other countries. Testimony before the committee disclosed that approximately 150,000 tons of this sugar is necessary for direct domestic sugar consumption in Cuba. This leaves a surplus of 590,000 tons available for sale, manufacture, and conversion, through consumer products, during the year 1947. This surplus is equivalent to over a billion pounds of refined sugar. Where does

this sugar go? Some of it comes into the United States ex-quota in the form of jellies and jams, but due to import restrictions here in the United States, and an attempt to prevent diversion and maldistribution to industrial users in the United States, a great portion of this available tonnage of sugar-containing products goes to Europe and other foreign markets ex-quota.

The amendment which I have offered will give to the American consumer a part of this tonnage in sugar products now going to other countries. We cannot get all of it, naturally. Some of it is and must be sold and/or traded by Cuba for products necessary for her economy. In order to stabilize labor conditions, combat agitation, and control the inflationary spiral, the Cuban Government has planned to sell a part of this sugar for the manufacture of sugar products in Cuba at a cost to the purchaser of 2 or 3 cents above the low favored American price for raw sugar.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. GAMBLE. I yield.

Mr. AUGUST H. ANDRESEN. As I understand it, this product that the gentleman is proposing to have shipped into this country is made out of sugar that is retained in Cuba or some other country and is not chargeable to the amount of sugar, that is, the quota that is turned over to the United States for American consumption?

Mr. GAMBLE. That is correct. It has no connection with the United States quota. It has only to do with the quota allocated to Cuba out of the Cuban production. Ex-quota, I believe they call it.

Mr. AUGUST H. ANDRESEN. Of course, that would apply to other products. Beverage companies could buy their sirup, made out of that same Cuban sugar quota, and ship the sirup into the United States without having it charged to the American quota?

Mr. GAMBLE. Yes; ex-quota if they bought the sugar at a price over the price the United States pays for the sugar. But under the terms of this amendment they could only buy it for export in small containers of not more than 3 pounds each which would not be commercially or economically sound.

Mr. AUGUST H. ANDRESEN. Should an American citizen go to Cuba or Mexico and buy 10 or 15 pounds of sugar, does the gentleman's amendment provide that that sugar can be brought into the United States without surrendering ration stamps?

Mr. GAMBLE. No; it has nothing to do with that situation, but I know it is being done right now. That is, sugar is being brought into this country by American citizens without producing ration stamps.

Mr. AUGUST H. ANDRESEN. No. You cannot do it now.

Mr. GAMBLE. You can if you take the chance and get away with it.

But let me finish, if I may.

The money obtained from these sugar sales is used by the Cuban Government to purchase foodstuffs for the Cuban population.

Here is a potential supply of sugar for consumer use such as sirups and other

low-cost items, and it would go far toward relieving the pressure on the American consumer for additional sugar. Testimony before the committee states that at least 250,000 tons of this sugar can be readily released for the manufacture of sugar-containing products and sirups for shipment to the United States. Reduced to simple terms this means that every American family would be able to obtain and purchase at least 12 pounds more of sugar products and sirups during the next 7 to 9 months of peak demand. It only requires that import permits be granted by the United States for that purpose. At the present time jellies, preserved fruits, coconut, and so forth, made in Cuba out of the Cuban sugar quota, are now shipped into the United States with permits. They are made by these same companies. These sirups are now on the restricted list of sugar-containing items which are prohibited from being imported under the regulations of the Sugar Branch, Department of Agriculture. I believe this is discriminatory under War Food Order No. 63. This order has been issued on the theory of some economists in the Department, that if this surplus of Cuban-manufactured sirups, on quota, were allowed to come into this country it would upset our economy. I repeat, the Department believes, apparently, that jams and jellies will not upset our economy but that sirups will. It just does not make sense.

This amendment would allow these sugar-containing products and sirups to be imported.

The CHAIRMAN. The time of the gentleman from New York has expired.

Seventy-two Pearl Harbors Every Year

EXTENSION OF REMARKS

OF

HON. EVERETT M. DIRKSEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 28, 1947

I. SUMMARY

Mr. DIRKSEN. Mr. Speaker, I have introduced H. R. 100, authorizing the appropriation of \$50,000,000 with which to marshal the world's scientific resources for an all-out attack on cancer.

Cancer is the failure of medicine.

By 1950 it is estimated that cancer will kill more persons than the total number of fatal casualties for the United States Army in World War II.

Cancer kills 72 times as many people in a year in the United States than the total casualties at Pearl Harbor.

Today cancer kills one person every 3 minutes.

Cancer has been known from the most ancient times.

Despite scientific advancement, the cancer death rate rises steadily.

What is needed is an all-out attack.

No other disease can compare with cancer as a killer.

The situation requires a fresh, independent effort.

II. CANCER IS THE FAILURE OF MEDICINE

"Cancer is the failure of medicine." This accusation, frequently heard, is a reflection of public bitterness in the face of a defeat among many medical triumphs. For the triumphs of medicine have been many and have led the world to expect miracles. And yet, the mystery of cancer is still as great, its control still as far away as at the time of Hippocrates. Cancer now takes a greater toll of human life than it did in ages gone by. While the death rate for many common diseases has been steadily declining, the death rate for cancer has been increasing. The grim and ironic paradox is that medical science has taught us how to save our children from smallpox, from diphtheria, from scarlet fever, from dysenteries and diarrheas, only to have them reach an age at which they may be killed by cancer. Medicine has succeeded magnificently in the effort to prolong life, so that a baby at birth is said to have a life expectancy of almost 65 years. But though the chances for each baby to reach adulthood are good, the chances for an adult to die of old age have improved hardly at all.

III. CANCER DEATHS

Three thousand and six people died of cancer in New York City in the 3-month period, October, November, and December 1939, as compared to 120 deaths of benign tumors, 264 suicides, 66 people murdered, and 3 who died peacefully of old age.

Cancer is essentially a disease of adults. It is because human beings are living longer that cancer is now assuming an importance which it formerly did not have. As more persons reach maturity, their chance of being stricken by cancer increases. A woman at 35, a man at 45, enters upon the period of greatest danger. At the very age when a person is at the height of his usefulness to his family, to his community, and to his country, he is struck down by this insidious killer. That is why this menace will continue to increase, the misery and suffering it produces will increase, and its cost to society will increase as the progress of hygiene continues to lower the general death rate.

Figures from the National Cancer Institute, just released, confirm this continuing increase in the number of deaths from cancer. Plotted on a graph, they show a trend which is progressively upward and which as yet shows no sign of leveling off. In 1930, 117,623 persons died of cancer, in 1935 the number had risen to 137,549; in 1940, 158,335; and in 1944 the toll was 171,171. By extrapolating present trends, Dr. Louis I. Dublin, the eminent statistician of the Metropolitan Life Insurance Co., has predicted that the annual death rate from cancer in this country alone will rise to 203,000 in 1950 and to 270,000 in 1960.

IV. CANCER VERSUS WAR

For comparison, the War Department figures as of June 30, 1946, give the total number killed in action and dead of wounds in the Army of the United States in World War II as 201,925. According to the above prediction, in the single year 1950 as many persons will die of cancer,

and 10 years later the number will exceed our World War II Army dead by almost 68,000.

Four thousand one hundred and eighty-nine Americans lost their lives in the taking of Iwo Jima. Cancer kills 40 times that many each year. On the entire western front, in the period covering the battle of the bulge, we lost 4,083 men. Cancer kills 41 times that many. Fatal casualties at Pearl Harbor totaled 2,343. Cancer kills 72 times that number of persons every year in the United States. Seventy-two Pearl Harbors a year! Should we not mobilize immediately and thoroughly and with all our forces, financial and intellectual, against an enemy inflicting such damage?

Today, cancer kills one person every 3 minutes. During the half hour that it will take me to make this plea for Government action to eradicate this plague, 10 people will have died of it. On January 26, 1947, we were shocked and horrified to learn that our beloved Grace Moore had died in a plane crash in Denmark. On that same day 480 persons in the United States died of cancer. The horror of a plane crash causes the press to be filled with cries of anguish and outrage; there are demands for action to prevent these tragedies. Yet when 480 persons die in 1 day of cancer there are only expressions of pity, gestures of despair, and shrugs of futility.

V. THE NATURE OF CANCER

What is cancer; why is it dreaded so and why have we not yet succeeded in finding a cure for it, or a method of preventing it? Cancer is a disease of the cells of the body. It differs from other diseases in that its cells are those which belong to the body proper. In the words of Dr. R. R. Spencer, director of the National Cancer Institute, "a cancer is a clump of body cells that have gone wrong, that live at the expense of the body and contribute nothing. In other words a bunch of parasitic gangsters."

The cell is the fundamental unit of life. All of us are made of cells, and we begin our existence as cells. Each of us begins as a single cell which by the time of birth has multiplied into 200,000,000,000 cells. Adults have trillions of cells and in the process of development, some mysterious power in our bodies separates these cells into tissues and organs. It is these tissues and organs which are organized into the structural and functional harmony which we know as our bodies.

This structural and functional harmony is the greatest mystery in nature, for it is essentially the riddle of life itself. And yet attached to this mystery is another, equally great, for it happens that sometimes this harmony is disturbed. For some reason, or reasons, as yet unknown, cells which have settled down to their preordained functions suddenly begin to multiply. The cells run wild and there is a continuous unrestrained and unorganized new growth of tissue which spreads throughout the body and ultimately causes death. If this growth can be recognized and treated early enough a large number of those so afflicted may be saved. But unfortunately the diagnosis in a majority of cases is made too late and the victim

is doomed to a lingering ordeal of suffering which ceases only with death.

What is the cause of this autonomous new growth of tissue? To this simple question there is no simple answer. The fact is that we do not know what makes a normal cell divide, we do not know what it is that causes cells to aggregate themselves into tissues and organs, we do not know what makes normal cells stop growing and multiplying. Until we have answers to these fundamental questions we cannot begin to know how some cells escape from the normal controlling mechanism which governs all other cells.

Human gangsters are generally the result of unfavorable social conditions. There is considerable evidence to suggest that some unfavorable environmental condition is responsible for the beginning and continued growth of cancer. There lies the riddle of cancer. For only when we know what it is that causes certain cells to go berserk can we institute preventive measures, kill off the potential invaders, and thus accomplish a cure.

VI. HISTORY OF CANCER AND CANCER STUDY

Cancer has been known from most ancient times. Some of the oldest medical works in the world, the Egyptian medical papyri, mention it. Hippocrates, the greatest physician of antiquity, named the disease, and from his day to this cancer has been an object of study among medical men. The history of investigations into the causes and cure of cancer can be divided into three stages. The first and longest stage may be called the speculative stage. For man's knowledge of this subject did not for many centuries advance beyond the stages of superstition and speculation. The second stage may be called the descriptive stage. During this period, extending roughly from the sixteenth through the nineteenth century, cancers were minutely studied and classified. The invention of the microscope in the seventeenth century and the advent of the cell theory in the nineteenth century added much to our knowledge of cancer, its varieties, and how it could be differentiated from other types of tumors.

The third stage in cancer study is the modern period, scarcely 50 years old, which can be called the experimental stage. It can safely be said that in the last 50 years, by the use of the experimental method, we have learned more about cancer and its causes than in all the preceding centuries.

We have learned, for example, that there is no single cause of cancer in the sense that the tubercle bacillus is the cause of tuberculosis or treponema pallidum is the cause of syphilis. According to R. R. Spencer, Director of the National Cancer Institute, all investigators have been impressed with the multiplicity and complexity of the factors that play a part in initiating the process.

VII. RECENT RESEARCHES

Cancers may now be induced at will experimentally by:

First. Genetic manipulations, inbreeding and cross breeding.

Second. Hormonal imbalances and disturbances.

Third. Injection or feeding of more than 200 different chemicals some of which are organ specific.

Fourth. The energy agents—X-rays, gamma rays, ultraviolet rays, heat, and so forth. Recent work suggests that neutrons produced by the cyclotron may actually induce cancer. Neutrons were widely hailed as a possible curative agent.

Fifth. A combination or one or more of the foregoing factors.

These are, in brief summary, the results of various researches undertaken in recent years by individuals and groups working more or less separately. They are of importance, not only in themselves, but as pointing out promising paths for further researches, deserving all of money and brain power that the country can muster for them.

Despite a great amount of work on the problem of the possible causation of cancer by an infectious agent, particularly viruses, such agents have not been demonstrated, up to the present time, to be the cause of any human cancer.

VIII. THE DEATH RATE FROM CANCER GOES UP AND UP

Added to our increased knowledge of the biology of cancer are the encouraging results of treatment. With the advent of radium, X-rays, and improved techniques of diagnosis and surgery, many persons are alive today who, without the benefit of these recently discovered techniques, would have died of cancer. We are told by experts who have devoted their lives to the study of cancer that "an early cancer is curable; a late one usually is not." And yet, despite the vast amount of knowledge which we have gained, despite the impressive record of patients alive today who, without modern treatment, would have been dead, despite all the efforts and funds expended by numerous laboratories, hospitals, and research institutes, the grim fact remains that more persons are dying today of cancer than at the beginning of this century when the experimental attack upon cancer was launched. Thus in 1900 the mortality rate from this disease per hundred thousand of the population was only 64.0, by 1925 it had risen to 92.0, and in 1940 to 120.3. Making due allowance for the fact that part of this rise may be attributed to improved methods of diagnosis, and part to the fact that more persons are living to attain the "cancer age," the increase is sufficiently great and alarming to cause us to regard cancer as one of the most urgent of our public health programs.

IX. AN ORGANIZED APPROACH IS NEEDED

Why have we not progressed further in our efforts to control this disease? Certainly, not for lack of brain power. Some of the greatest minds in the scientific world have devoted themselves to the study of this problem and much that we do know about cancer is the result of their efforts. Our failure to conquer this disease is not due to a lack of understanding of its difficulty, nor to a lack of trained experts—although we need many more than we have. It is due to our lack of an organized approach to the problem, an organized approach supported by adequate financial resources. It is becoming increasingly obvious that

a haphazard, small scale approach to this problem is inadequate.

The amazing scientific advances of this past war have demonstrated convincingly what an organized approach supported by adequate funds can do. The story of penicillin is an example of this. In 1929, in an obscure London hospital, Doctor, now Sir, Alexander Fleming discovered a contaminating mold upon one of his bacterial cultures which seemed to be destroying the germs with which he was experimenting. Dr. Fleming seized upon this accident, for, as the great Louis Pasteur once remarked, "Chance favors the prepared mind." He began to study this phenomenon and discovered that the mold secreted a substance which destroyed bacteria. He named this substance penicillin. For 10 years this discovery went unnoticed although Dr. Fleming made repeated efforts to interest his medical friends. Helpless for lack of funds and assistants, he was obliged to put his discovery aside. And then in 1939, at Oxford, the young and brilliant Dr. Florey, aware that the impending war would place enormous demands upon medical science for new agents to combat infection, began a systematic study of certain antibacterial substances which were produced by micro-organisms. Because of this fact they were known as antibiotics. So Florey began a systematic study of these agents. Note, please, I emphasize the word systematic. In other words, he was making a planned, organized study. One of the first members of the group which he chose for study was penicillin. Among his assistants, for Florey was not a lone worker like Fleming but the director of a team, was Boris Chain, a Russian-born biochemist, and Leslie Falk, an American-born physician and bacteriologist. In a short time the remarkable properties of penicillin had been confirmed and tested on man. The attention of our own National Research Council was attracted to this work and Florey and one of his collaborators, Heatley, were invited to this country in 1941 where they helped to initiate research. Within 30 months after that visit, after an expenditure of \$20,000,000 and the mobilization of our best experts and the assignment of vast facilities in the way of buildings and equipment, penicillin was being produced in a volume which made it possible to fill not only all the military needs but also to make this drug available in civilian hospitals. The number of dollars which this enterprise cost can easily be added up. No one is yet able even to estimate what the development of penicillin has meant in terms of lives saved.

But perhaps the most outstanding example of a monumental advance in science is the development of the atomic bomb. For 50 years scientists in various parts of the world had, singly and in pairs, in isolated laboratories, been knocking at the atomic nucleus, attempting to reveal its nature.

The mobilization of a vast number of scientists, engineers, and technicians did not alone create the atomic bomb. The expenditure of billions of dollars could not in itself insure success in the undertaking, but the expenditure of this amount of money by competent experts

EXTENSION OF AUTHORITY WITH RESPECT TO THE DISTRIBUTION AND PRICING OF SUGAR

MARCH 28, 1947.—Ordered to be printed

Mr. WOLCOTT, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. J. Res. 146]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *That (a) notwithstanding any other provisions of law, the Emergency Price Control Act of 1942 (56 Stat. 23); the Stabilization Act, 1942 (56 Stat. 765); title III of the Second War Powers Act, 1942 (56 Stat. 177), and the amendment to existing law made thereby; title XIV of the Second War Powers Act, 1942 (56 Stat. 177); and section 6 of the Act of July 2, 1940 (54 Stat. 714), all as amended and extended, shall continue in effect with respect to sugar to and including October 31, 1947, except that authority to continue inventory controls over other than household users may be exercised to and including March 31, 1948: Provided, however, That—*

(1) *the authority contained herein shall not be deemed (i) to permit the allocation or rationing of any product (other than the allocation of such product imported or brought into the continental United States) unless a regulation providing for allocation or rationing thereof was in effect on February 18, 1947, or (ii) to permit price control over any product unless a price-control regulation with respect thereto was in effect on February 18, 1947;*

(2) *no person shall be subject to any criminal penalty or civil liability, under any provision of law referred to above, on account of any act or omission which is made unlawful by section 4 of this Act;*

(3) no provision of section 204 (d) or (c) of the Emergency Price Control Act of 1942, as amended, shall apply (i) in any proceeding, involving a regulation or order with respect to sugar, in which an injunction or other order of a court is hereafter applied for, or (ii) in any proceeding, under section 37 of the Criminal Code, which is based on a conspiracy involving any act or omission which is made unlawful by section 4 of this Act;

(4) in the case of any regulation or order with respect to sugar, no protest may be hereafter filed under section 203 of the Emergency Price Control Act of 1942, as amended; and

(5) hereafter no person shall be required to secure a license, and no license shall be issued to any person, under section 205 of the Emergency Price Control Act of 1942, as amended, for the purpose of providing for the enforcement of any regulation or order relating to sugar.

(b) The Secretary of Agriculture, in exercising the powers, functions, and duties transferred to him by section 3 of this Act—

(1) may allocate sugar without regard to the provisions of title II of the War Mobilization and Reconversion Act of 1944 (58 Stat. 787);

(2) shall allocate refined sugar for home consumption at a rate of not less than thirty-five pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals fifty pounds of refined sugar per capita; and

(3) shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, make available, for other than provisional-allotment users, not less than 12,500 tons of refined sugar during the period from the date of the enactment of this Act to and including June 30, 1947, and not less than 12,500 tons of refined sugar during the period from July 1, 1947, to and including October 31, 1947, to provide for the needs of hardship cases, for the needs of new industrial-sugar users (with particular reference to the needs of shortage areas caused by population shifts) and for the needs of those who have an insufficient base period history to operate currently at competitive levels (and shall consider, as a determining factor in those cases where there is such insufficient base period history, the rate of growth of such user prior to the base period year).

SEC. 2. Prior to the expiration of the authority granted by this Act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this Act when he determines that the supplies of sugar are sufficient to warrant such action.

SEC. 3. (a) The powers, functions, and duties of (1) the President under title III of the Second War Powers Act, 1942, and the amendment to existing law made thereby; (2) the President or any executive department under section 6 of the Act of July 2, 1940; (3) the Price Administrator under the Emergency Price Control Act of 1942; and (4) the President and the Price Administrator under the Stabilization Act of 1942, all as amended and extended (and irrespective of what officer, department, or agency may be now exercising any such power, function,

or duty) are, insofar as they relate to sugar, hereby transferred to and shall be executed by the Secretary of Agriculture.

(b) Every order, directive, rule or regulation relating to any power, function, or duty transferred by subsection (a) of this section, issued by any officer, department, or agency heretofore performing such power, function, or duty, which is not in conflict with the provisions of this Act and which is in effect on the date of the enactment of this Act, shall continue in full force and effect, according to its terms, unless and until modified or rescinded by the Secretary of Agriculture.

(c) So much of the unexpended balances of appropriations, allocations, or other funds, and the property, available for the use of any officer, department, or agency in the exercise of any power, function, or duty transferred by subsection (a) of this section or for the use of the Secretary of Agriculture in the exercise of any power, function, or duty so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of such powers, functions, or duties. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such balances of appropriations, allocations, or other funds prior to the transfer. Such personnel as the Director of the Bureau of the Budget determines to be required may also be transferred temporarily to the Department of Agriculture pending termination of the powers, functions, and duties transferred by subsection (a) of this section. The annual and sick leave of personnel so transferred shall be transferred with them; and they shall be entitled to the benefits of section 14 of the Veterans' Preference Act of 1944 to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such powers, functions, and duties. Any personnel so transferred shall not, by virtue of their temporary employment in the Department of Agriculture, acquire or be entitled to any right to employment in such Department in connection with the exercise of any power, function, or duty other than one transferred under this Act. There are authorized to be appropriated to the Secretary of Agriculture such sums as may be necessary to carry out the provisions of this Act.

SEC. 4. (a) It shall be unlawful for any person to do or omit to do any act, in violation of any order, directive, rule, or regulation continued in effect by section 3 (b) of this Act or issued in the exercise of any power, function, or duty transferred by section 3 (a) of this Act.

(b) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Secretary of Agriculture in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

(c) Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than \$5,000, or to imprisonment for not more than two years in the case of a violation of subsection (b) and for not more than one year in all other cases, or to both such fine and imprisonment.

SEC. 5. As used in this Act—

(a) The term "person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the

United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: Provided, That no punishment provided by this Act shall apply to the United States, or to any such government, political subdivision, or agency.

(b) The term "sugar" means any grade or type of saccharine product derived from sugarcane, sugar beets, or corn, including liquid sugar, sirups, molasses, or mixtures thereof, and sugar-containing products, which contain sucrose, dextrose, or levulose.

SEC. 6. (a) Section 2 (a) of the Administrative Procedure Act, as amended, is amended by inserting after "Surplus Property Act of 1944;" the following: "Sugar Control Extension Act of 1947;"

(b) This Act may be cited as the "Sugar Control Extension Act of 1947".

And the Senate agree to the same.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.

CHAS. W. TOBEY,
RALPH E. FLANDERS,
BURNET R. MAYBANK,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The substitute agreed to in conference is similar in most respects to the joint resolution as it passed the House but there are differences which are explained below in this statement.

Section 1 of the joint resolution as passed by the House, after providing for temporary continuance of specified provisions of law, included the following provision:

(2) no person shall be subject to any criminal penalty or civil liability, under any such provision of law, on account of any act or omission which is made unlawful by section 4 of this Act;

In the conference substitute the words "under any provision of law referred to above" have been used instead of the words "under any such provision of law". This change is merely to make it perfectly clear that the provisions of law referred to are the ones cited in the introductory language to section 1.

Section 1 of the joint resolution passed by the House contained a subsection (b) as follows:

(b) Notwithstanding the provisions of any other law, the Secretary of Agriculture, in exercising the allocation and rationing authority transferred to him by section 3 of this Act, shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, provide for the needs of hardship cases, for the needs of new sugar users, and for the needs of those who have no base period history.

This provision has been omitted from the conference substitute, but in lieu thereof provisions have been included providing that the Secretary of Agriculture, in exercising the powers, functions, and duties transferred to him by section 3 of the act, (1) may allocate sugar without regard to the provisions of title II of the War Mobilization and Reconversion Act of 1944; and (2) shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, make available for other than provisional-allotment users, not less than 12,500 tons of refined sugar during the period from the date of the enactment of this act to and including June 30, 1947, and not less than 12,500 tons of refined sugar during the period from July 1, 1947, to and including October 31, 1947, to provide for the needs of hardship cases, new industrial-sugar users (with particular reference to the needs of shortage areas caused by population shifts) and for the needs of those who have an insufficient base period history to operate currently at competitive levels (and shall consider, as a determining factor in those cases where there is such insufficient base period history, the rate of growth of such user prior to the base period year).

The provision referred to in clause (1) of the preceding paragraph is taken from the Senate amendment, and merely makes more specific the intent of one of the provisions of the House joint resolution which is omitted from the conference substitute. The provision referred to in clause (2) of the preceding paragraph is a modification of section 4 of the Senate amendment. That section provided that the Secretary of Agriculture should make available not less than 50,000 tons of refined sugar, for other than provisional-allotment users, during the period from April 1, 1947, to March 31, 1948, to provide for the same needs (other than the needs of hardship cases) which are to be provided for under the provision of the conference substitute here being discussed. The reduction from 50,000 to 25,000 tons made by this provision is in consideration of the fact that the amount referred to in the Senate amendment would have been allocated over a full year, whereas the provision in the conference substitute makes provision for a period from the date of the enactment of this act until October 31, 1947. In providing that the Secretary of Agriculture shall make such sugar available in a manner consistent with the maintenance of an effective national allocation and rationing program, and in making provision for hardship cases, this provision of the conference substitute follows the provision of the House joint resolution.

It is the intention that the Secretary, in exercising his allocation powers under this legislation, shall make just and reasonable provision for meeting need for sugar to avoid wastage of milk and other food products. The conferees are confident that such provision will be made because of assurances given to the Senate committee and referred to in the report of that committee on Senate Joint Resolution 58.

There is also included in the conference substitute a provision taken from the Senate amendment requiring that the Secretary of Agriculture in exercising the powers, functions, and duties transferred to him shall allocate refined sugar for home consumption at a rate of not less than 35 pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals 50 pounds of refined sugar per capita.

Section 1 of the joint resolution as passed by the House contained the following subsection which is omitted from the conference substitute:

(c) Nothing herein shall restrict the import of products of consumer size containers of not more than three pounds net each or more than one-half United States liquid gallons each, providing importers of such products shall obtain certification from the proper government officials of the exporting country that products so shipped shall have been produced out of domestic quota sugar.

In that part of section 3 of the joint resolution as passed by the House, which dealt with the temporary transfer of employees, the following proviso was included:

Provided, That nothing in this section shall in anywise be construed to violate any of the Veterans' Preference Act of 1944.

In lieu of this proviso there has been included in the conference substitute the following provision taken substantially from the Senate amendment:

The annual and sick leave of personnel so transferred shall be transferred with them; and they shall be entitled to the benefits of section 14 of the Veterans' Preference Act of 1944 to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such powers, functions and duties. Any personnel so transferred shall not, by virtue of their temporary employment in the Department of Agriculture, acquire or be entitled to any right to employment in such Department in connection with the exercise of any power, function, or duty other than one transferred under this Act.

Section 6 of the conference substitute makes an amendment to the Administrative Procedure Act so as to continue, with respect to the exercise of the authority transferred by this legislation, the exemption from such act which is now applicable in the case of the exercise of such authority. This section also provides that this act may be cited as the "Sugar Control Extension Act of 1947."

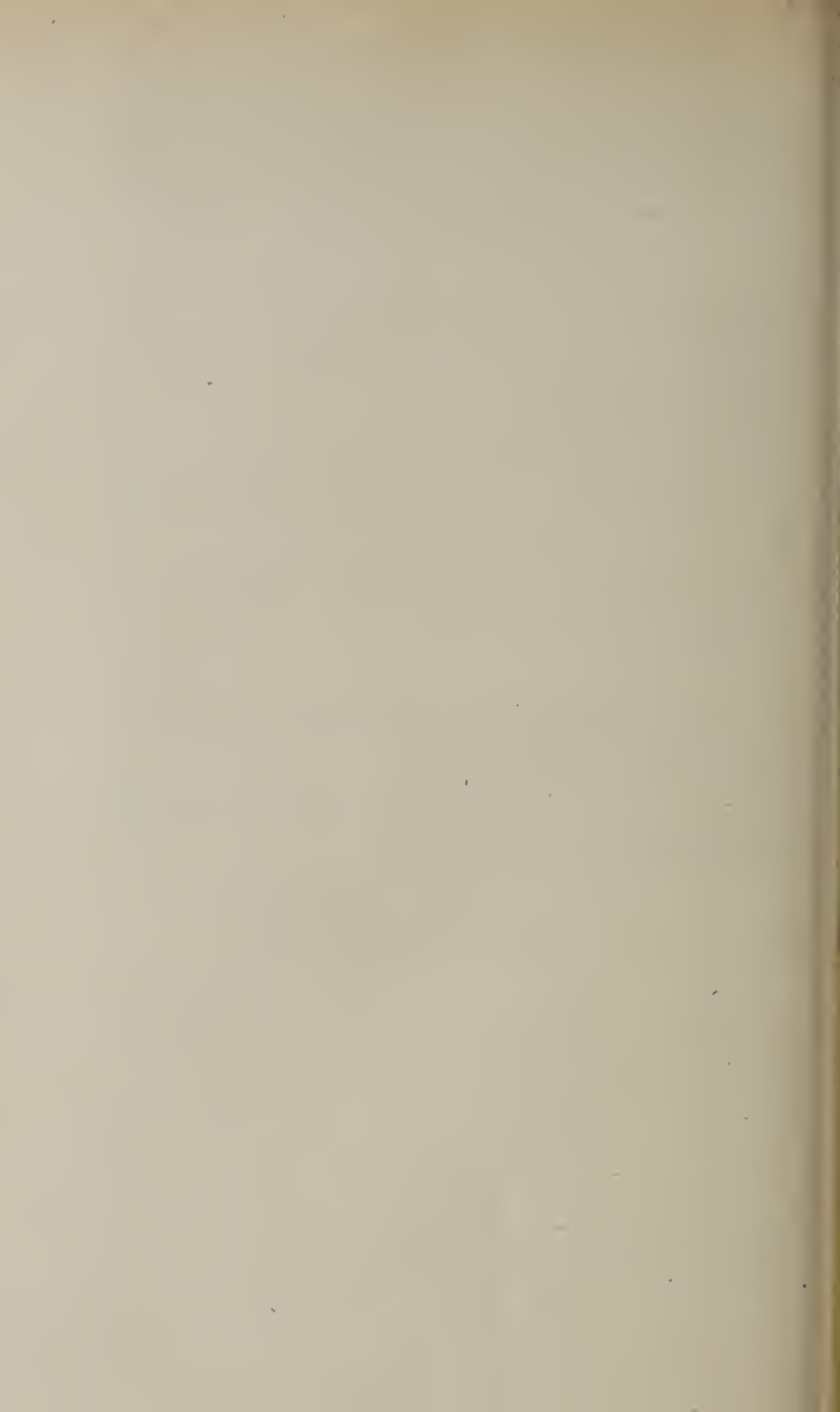
The Senate amendment contained a subsection 3 (d) providing for continuance in effect of orders, directives, rules, and regulations, pertaining to sugar, for the purpose of sustaining any proper suit, action, or proceeding with respect to violations, liabilities, or appeals. This provision has been omitted from the conference substitute solely on the ground that it was deemed unnecessary. By other provisions of the conference substitute orders, directives, rules, and regulations pertaining to sugar are continued in effect, and there is nothing in the conference substitute which would prevent them from being in effect for the purposes referred to in the Senate section 3 (d). Furthermore, section 13 of the Revised Statutes (U. S. C., 1940 ed., supp. V, title 1, sec. 29) provides that—

The repeal of any statute shall not have the effect to release or extinguish any penalty, forfeiture, or liability incurred under such statute, unless the repealing Act shall expressly so provide, and such statute shall be treated as still remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of such penalty, forfeiture, or liability. The expiration of a temporary statute shall not have the effect to release or extinguish any penalty, forfeiture, or liability incurred under such statute, unless the temporary statute shall so expressly provide, and such statute shall be treated as still remaining in force for the purpose of sustaining any proper action or prosecution for the enforcement of such penalty, forfeiture, or liability.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.





ms. 31

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued April 1, 1947
For actions of March 31, 1947
80th-1st, No. 60

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HIGHLIGHTS: Both Houses agreed to conference report on, and President approved, measure to continue sugar controls and transfer them to USDA. Both Houses agreed to conference report on, and President approved, bill to continue certain war powers other than on sugar and rubber. House debated deficiency appropriation bill. Reps. Taber and Rich criticized crop-insurance program. Both Houses received USDA proposal to extend poultry-improvement program. Rep. Rich introduced bill to prohibit crop insurance. Rep. Case (S.Dak.) introduced bill transferring Remount Service from War to USDA. Rep. Shafer submitted resolution for potato-surplus investigation.

HOUSE

1. SUGAR CONTROLS. Both houses agreed to the conference report on H. J. Res. 146, to continue authority for sugar controls until Oct. 31, 1947, and transfer the function to this Department (pp. 2980-5, 2952-3). The President signed this measure.
2. WAR POWERS. Both houses agreed to the conference report on S. 931, to continue certain powers under the Second War Powers Act except those regarding sugar and rubber, which are covered by other legislation (pp. 2993-3003, 3018-9, 2946-8). The President approved this bill.
3. FIRST DEFICIENCY APPROPRIATION BILL. Began debate on this bill, H. R. 2849 (for provisions see Digest 59)(pp. 2990-2, 3003-15). Reps. Taber, N. Y., and Rich, Pa., criticized the crop-insurance program (pp. 2991, 3012-5). Rep. Plunley, Vt., commended and inserted a rural-electrification study by the Vermont Public Service Commission (pp. 3006-8). Rep. Goff, Idaho, commended the item for Tussock moth control (pp. 3011-2). Rep. Wigglesworth, Mass., spoke in favor of economy and objected to "violations" of the anti-deficiency law (pp. 3008-9). Rep. Cannon, Mo., spoke in favor of economy but said "there are conditions when decreased spending may ultimately involve additional expenditures" (p. 3003). It is expected that debate on this bill will continue today (p. D79).
4. DAYLIGHT SAVING TIME. The D. C. Committee reported without amendment H. R. 2568, authorizing the D. C. Commissioners to establish daylight saving time in D. C. during 1947 (H. Rept. 207)(p. 3019).
5. POULTRY. Both houses received from this Department proposed legislation to

amend the Organic Act of 1944 to authorize the Department to cooperate with D. C., Territories, and possessions (as well as with the States) in the administration of regulations for improvement of poultry, poultry products, and hatcheries. To House Agriculture Committee and Senate Agriculture and Forestry Committee. (pp. 3019, 2933.)

6. PERSONNEL; RESEARCH. Received from the Navy Department proposed legislation to authorize department heads to grant employees leaves of absence for research and study. To Post Office and Civil Service Committee. (p. 3019.)
7. CATTLE PRODUCTION. Rep. Miller, Nebr., commended the cattle-production record of various Nebr. counties (p. 2987).
8. COMMODITY CREDIT CORPORATION. In addition to the provision mentioned in Digest 59, item 3, H. Doc. 186 includes a recommendation by the President for a decrease of \$188,548,730.36 in the amount by which the Secretary of the Treasury is authorized to discharge the indebtedness of CCC (this recommendation is in view of the appraisal report).

SENATE

9. MONOPOLIES. Sen. O'Mahoney, Wyo., inserted articles by Thomas L. Stokes and Richard L. Strout on the building up of monopolies through the acquisition of assets rather than stocks (pp. 2936-7).
10. FOREIGN AFFAIRS. Sen. Taylor, Idaho, discussed the proposed aid to Greece and Turkey, urging caution and a complete investigation of the facts before the step is taken (pp. 2956-64).
Sens. Lodge (Mass.) and Vandenberg (Mich.) presented and discussed amendments they intend to propose to the bill providing for relief to Greece and Turkey (pp. 2938-9).
11. R.F.C. REPORT. Received the RFC report for Nov., 1946 (p. 2933).
12. EDUCATION. Sen. George, Ga., inserted a Ga. Legislature resolution favoring appropriations to aid the States in vocational education (p. 2934).
13. EXPENDITURES. Sen. Kem, Mo., inserted M.E. Ford's letter urging that "all Government subsidies, bonuses, and grants-in-aid...be discontinued" (p. 2935).

BILLS INTRODUCED

4. POTATO SURPLUS. H. Res. 166, by Rep. Shafer, Mich., authorizing and directing the Committee on Agriculture to undertake an investigation with respect to the potato surplus. To Rules Committee. (p. 3020.)
5. CROP INSURANCE. H.R. 2864, by Rep. Rich, Pa., to provide that the Federal Crop Insurance Corporation shall not enter into insurance contracts to insure producers of agricultural commodities against any loss in yields. To Agriculture Committee. (p. 3019.)
6. REMOUNT SERVICE. H.R. 2868, by Rep. Case, S. Dak., to transfer the Remount Service from the War Department to the Department of Agriculture. To Armed Services Committee. (p. 3019.)
7. TEXTILES. H.R. 2860, by Rep. Hartley, N.J., to provide protection for designs for textile fabrics. To Judiciary Committee. (p. 3019.)

- 5 -
18. POSTAL SERVICE. H.R. 2857, by Rep. Dolliver, Iowa, to extend second-class mailing privileges to bulletins issued by State conservation and fish and game agencies or departments. To Post Office and Civil Service Committee. (p. 3019.)
 19. PERSONNEL. H.R. 2858, by Rep. Ellis, W.Va., to provide a permanent civil-service status to certain Federal employees and reinstatement rights to former employees who have been discharged from the service. To Post Office and Civil Service Committee. (p. 3019.)
H.R. 2869, by Rep. Clason, Mass., to provide that the beneficiaries of certain Government employees who died between Dec. 6, 1941, and Dec. 21, 1944, shall be compensated for leave accumulated and accrued by such employees but not taken. To Post Office and Civil Service Committee. (p. 3019-20).
 20. WILDLIFE. H.R. 2863, by Rep. Miller, Nebr., to provide for the protection of the Dall sheep, caribou, and other wildlife native to the Mount McKinley National Park area. To Public Lands Committee. (p. 3019.)
 21. NATIONAL FORESTS. H.R. 2867, by Rep. Case, S.Dak., to permit, subject to certain conditions, mining locations under the mining laws of the U.S. within that portion of the Harney National Forest designated as a game sanctuary. To Public Lands Committee. (p. 3019.)
H.R. 2876, by Rep. Douglas, Calif., to create the Franklin Delano Roosevelt Memorial Redwood Forest. To Agriculture Committee. (p. 3020.)
 22. RECLAMATION. H.R. 2873, by Rep. Rockwell, Colo., "to amend certain provisions of the Reclamation Project Act." To Public Lands Committee. (p. 3020.)

ITEMS IN APPENDIX

23. SCHOOL-LUNCH PROGRAM. Extension of remarks of Sen. Stewart, Tenn., favoring this program and including a Lake County (Tenn.) Banner editorial, "Federal Aid and Hot Lunches" (pp. A1454-5).
24. SUGAR. Sen. Sparkman, Ala., inserted a Washington Daily News article, "Congress Takes a Long-Shot Bet on Sugar" (p. A1454).
25. TARIFFS; FARM PRODUCTS. Sen. Butler, Nebr., inserted a Farmers' Guild News article, "Senator Butler Fights Farm Tariff Cuts" (p. A1431).
26. FERTILIZERS. Rep. Gross, Pa., inserted his address on soil conservation and fertilization before the agricultural limestone division of the Pa. Stone Producers' Assoc. (pp. A1444-5).
27. EDUCATION. Rep. Morrison, La., inserted an Ascension Parish Schools' report, "Improvement of Community Life Through Education" (pp. A1431-2).
28. FOREIGN AFFAIRS. Extension of remarks of Rep. McGregor, Ohio, discussing and inserting results of polls made on matters of foreign trade, foreign relations, federal-aid for schools, hospitals, etc., and military training (pp. A1433-4).
29. HOUSING. Rep. Rooney, N.Y., inserted a Washington Times-Herald editorial, "Housing Bugged Down" (pp. A1443-4).
30. FOREIGN TRADE. Extension of remarks of Rep. Gearhart, Calif., discussing and inserting statistics on exports and imports (pp. A1451-2).
31. UN-AMERICAN ACTIVITIES. Rep. Douglas, Calif., inserted Fiorello H. LaGuardia's article on loyalty of Government employees, entitled, "La Guardia: Even a Dog

Gets a Hearing" (pp. A1456-7).

32. FOREIGN RELIEF. Rep. Judd, Minn., inserted a Christian Science Monitor article, "Playing Politics with Food" (p. A1470).
Rep. Lodge, Mass., inserted his correspondence with Under Secretary (of State) Clayton on the diversion of foreign relief food to Moldavia (pp. A1471-2).
Various remarks and insertions on aid to Greece and Turkey (pp. A1435, A1446-7, A1447, A1455-6, A1472).

BILLS APPROVED BY THE PRESIDENT

33. APPROPRIATIONS. H.J.Res. 159, making appropriations to supply deficiencies for pay costs for various departments and agencies, not including Agriculture. Approved Mar. 29 (Public Law 25, 80th Cong.).
34. RUBBER. H.J.Res. 118 extends Government controls on crude and synthetic rubber beyond the Mar. 31, 1947, expiration date until permanent legislation with respect to maintenance of a synthetic-rubber industry is enacted, but in no event beyond Mar. 31, 1948. Approved Mar. 29 (Public Law 24, 80th Cong.).
35. SELECTIVE SERVICE. S. 918, establishes an Office of Selective Service Records to liquidate the Selective Service System following termination of its function on Mar. 31, 1947, and to preserve and service the Selective Service records. Approved Mar. 31 (Public Law 26, 80th Cong.).
36. WATER TRANSPORTATION. H.R. 1240, provides for the suspension of navigation and vessel inspection laws, as applied to vessels operated by the War Department upon the termination of title V, Second War Powers Act. Approved Mar. 31 (Public Law 28, 80th Cong.).
H.J.Res. 76 authorizes and directs the Commandant of the U.S. Coast Guard to waive compliance navigation and vessel-inspection laws administered by the Coast Guard. Approved Mar. 31 (Public Law 27, 80th Cong.).

(See also items 1 and 2.)

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COMMITTEE-HEARINGS ANNOUNCEMENTS for Apr. 1: S. Agriculture, wool bills; H. Appropriations, Agricultural appropriation bill (ex.); H. Expenditures in Executive Departments, surplus-property investigation; S. Civil Service, civil-service retirement; S. Finance, International Trade Organization; S. Foreign Relations, to hear Under Secretary Acheson and Paul Porter (ex.); H. Foreign Affairs, aid to Greece and Turkey; H. Banking and Currency, housing materials control (ex.).

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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ticularly he would not want to encounter trouble with his Atomic Energy Chairman selection, in whom there must be almost national faith and confidence if the latter's efforts are to be understood, supported, and approved. Obviously the President did not judge the temper of many people when he thought of Mr. Lilienthal.

In knowing now what he did not know before, the President cannot expect any measure of full support from those on both sides of the aisle who are in lasting opposition to bureaucratic paternalism, nor from those Senators who have so recently come from extended, thoughtful, difficult, and even bitter campaigns which were basically waged against what they conceived the big Government radicalism of the New Deal to be.

The President could not, on reflection, ask us to support his present choice. We trust that, on further reflection, he will not ask us to embarrass him more, for none of us have any such desire or intention in mind. We merely and sincerely hope to eventually vote unanimously for an individual, any individual, who has the complete confidence of this body and the Nation.

Is it not fair to raise the question publicly; why does not Mr. Lilienthal step aside? It is said by some, though I do not believe it, that he resisted the proposed Presidential appointment. He so testified in the recent extended hearings. As a public servant, his only interest can be the best interests of our country. If he is not wanted by a segment of the people, I should think he would bow out in favor of another.

He knows, as well as any man alive, how imperatively important and necessary public and official confidence will be to his job. He knows now that, without fear of contradiction, and for reasons which may even be unfair to him as a person, he will never benefit from the public faith his task would demand.

He knows, too, for I am trying to make it clear, that a majority of those who have just come to the Senate from every grass-root region in the land are positive and firm in our opposition to his proposed appointment.

If Mr. Lilienthal steps aside, or is defeated, it will not mark the first time this has happened. Presidential nominees by the score, through the years, have failed to be confirmed by the Senate. Between the terms of George Washington and Franklin Roosevelt more than 150 major executive nominations have been rejected by the United States Senate. Six of George Washington's nominations were turned down, and 11 of Thomas Jefferson's proposed appointments were rejected. A number of able and good men must have been among the many who were rejected, but it is safe to feel that in a majority of the cases the recommended individual was not the right man for the job he sought.

Alexander Hamilton, writing in the *Federalist*, said, "It will be the office of the President to nominate, and with the advice and consent of the Senate to appoint." Gouverneur Morris thought this arrangement would assure responsibility through nomination by the President

and security through the Senate's concurrence.

It is proper, therefore, that we think in terms of advice to the President regarding his present nominee. My advice, at least, is that his nominee is unacceptable because of a score of reasons laid before the Senate, and that he, the President, should withdraw the name of David E. Lilienthal and submit another.

This advice is not given lightly or disrespectfully, because one does not differ with the President except for solid and sound cause. That our willingness to differ with a Presidential wish must seem strange and unexplainable to some goes without saying. To them I can only point out that the day of rubber-stamp confirmations and rubber-stamp Congresses is over and done with. It should not any longer be expected that we should agree with what we do not agree with. The sooner this fact is taken for granted the sooner the legislative and executive branches of the Government will harmonize their efforts for the ultimate good of all citizens.

Does a single Member of the Senate have any right to assume that America is so lacking in and devoid of leadership that we must accept a controversial contradictory, cloudy figure as our selection to head the most powerful organization the mind of man has ever conceived? If we accept the premise that David Lilienthal, or any other individual, is, in spite of the serious doubts held by some of us, indispensable, we shall do the American Nation an irreparable injustice. If we confirm the nominee, as the Senate has the power to do, we are doing Mr. Lilienthal no favor. We leave the Nation confused and uncertain about the choice. We withhold from the Chairman what he needs most—a sympathetic, devoted, understanding public. Unless the Chairman maintains this relationship with the people of this land, his efforts are foredoomed to suspicion, argument, and failure.

I would automatically vote against any man who sought to secure appointment to the Atomic Energy Commission. Of all appointments the one in question ought to seek the man. There is no qualified man alive who should feel that he was fully qualified. The very nature of the assignment would prevent any save the power seeker from feeling that he possessed what was required. But I feel, though I may be wrong, that Mr. Lilienthal took particular steps and pains to secure the nomination.

He became, almost overnight, a self-admitted authority on atomic energy. His public speeches on the subject sounded as though he was looking for the job which not long after came his way. As a member of the State Department's own atomic committee, Mr. Lilienthal handled the consultants who did the work resulting in what became known as the Lilienthal report, released on March 28, 1946. A chief contributor to this report appears to have been Herbert S. Marks, a former assistant to Mr. Lilienthal at TVA, and now general counsel for the Atomic Energy Commission. I suppose every Senator is thoroughly familiar with the basic and fundamental

differences between this plan and the plan as it was drastically revised by Mr. Bernard M. Baruch. The Baruch proposals were violently opposed by Mr. Henry Wallace. We might just as well recall that the CIO Political Action Committee, the Independent Citizens Committee of the Arts, Sciences, and Professions, and the National Citizens Political Action Committee were among those who roared approval of the Wallace concept while raging against the realistically reasonable protective measures Mr. Baruch had in mind.

While the furor between Baruch and Wallace was absorbing public attention, the Atomic Energy Commission was being quietly put together. Mr. Baruch recommended several national figures to the President, but I understand they turned down their proposed appointments to the Commission. I think this action took place in September of last year.

In October of 1946 the Commission was announced by the President. It is my understanding that the announcement came as a complete and disappointing surprise to Mr. Baruch and to Secretary of State Byrnes, neither of whom had been consulted.

Mr. Lilienthal might have been surprised by the announcement of his appointment, for he has testified that he struggled against being the President's choice, but he was not caught napping. Within 24 hours of his appointment he publicly announced that the Atomic Energy Commission would take over the Army's atomic project. Immediately following this declaration he named a temporary staff which included Herbert S. Marks, and Carroll L. Wilson, both of whom had served on the original State Department board.

To my way of thinking, Mr. President, it needed no prodding to force Mr. Lilienthal to accept a post on the Commission. He is there by design and desire, and will remain where he is if he can. If this contention was not true he would have retired when his nomination first encountered serious opposition.

In recognizing the brilliant design of the finest propaganda campaign I have ever encountered I would reply only to that portion of it which comes from my own northwest section of America. The story is being told in that area that private power interests are making a many-pronged attack against the extension of public power and the Valley Authority principle, and that a smoke screen for the private-power attack is the present congressional resistance to the confirmation of Mr. Lilienthal. The only answer I have to this misrepresentation, Mr. President, is that it constitutes premeditated maliciousness on the part of those who are unwilling to admit that Mr. Lilienthal is something less than a saint, and who are unwilling to agree that any proposed further extension of the Valley Authority principle should be exposed to additional study, research, and analysis, leading to a determination based on fact, need, and conclusive proof. I come, Mr. President, from a public-power State. I believe in the development which comes from a wise and reasonable use of public power. But this

does not mean that I or any other thinking person should automatically assume that Lilienthal, the TVA experimenter, is qualified to become Lilienthal, the atomic-energy experimenter, nor does it provide excuse to assume that if one questions Mr. Lilienthal's fitness for the atomic energy chairmanship he is trying to hamstring and sabotage the development of public power throughout America. The curse of public power today is in the activities of those who crusade without thinking, who trample the rights of others underfoot, who will use any means, legitimate or foul, to secure their end result. That very small but articulate minority in the Northwest which does not tell the truth in its assertions of bad faith and evil purposes on the part of those who oppose Mr. Lilienthal is an example of what I mean.

In conclusion, Mr. President, I am not unmindful of what the able chairman of the Senate Atomic Energy Committee said the other day about the imperative need for action in confirming the nomination of a chairman of the Atomic Energy Commission. I share his distress over the fact that so little has been accomplished since the decision was made to place the future of atomic energy in the hands of a civilian commission. I recognize that atomic energy will help to keep America secure for as long a time as our research leads the world. There is need for action and confirmation by this Senate, but it must be action and confirmation of a character that all of America will approve, respect, and support. Anything short of this will represent no lasting progress at all. We must be right in what we are doing now.

A great contest is sweeping this earth. It engages the energies and ambitions and abilities of those who strive mightily to make the universe either slave or free. All of us hope that freedom will survive. None of us are yet satisfied that it will. The struggle to determine the final decision has just begun. Yet in the face of this political fact and reality there is an intention to turn to a political innocent for guidance and leadership in the unexplored field of atomic energy. We consider an individual who must count among his supporters nearly all of those who believe in a managed economy, an unrealistic and unreasonable softer attitude toward the Soviet Union, and the surrender of our national sovereignty to a world super state. That America wants to cooperate with the world is obvious. That America has no reason to surrender its right to live in the world of tomorrow is no less clear.

Whatever the excellence of this man's ability, sincerity, and good intentions, it is offset a thousand times by the encouragement and stimulus his appointment would give to a host of those who believe in a world of make-believe.

Every Senator in this Chamber speaks his own mind. I have spoken mine in trying to prove that Mr. Lilienthal is a casual and haphazard choice for the job he seeks. It is not that he suffers from either a lack of ability or good intentions. It is simply a case where the job in question demands more than he has to give. My respect for the land and world in

which I live will never permit me to vote for a compromise, and Mr. David E. Lilienthal can be considered to be nothing more.

EXTENSION OF SUGAR CONTROLS— CONFERENCE REPORT

Mr. TOBEY. Mr. President, I submit a conference report on House Joint Resolution 146, providing for the extension of sugar controls, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the conference report for the information of the Senate.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That (a) notwithstanding any other provisions of law, the Emergency Price Control Act of 1942 (56 Stat. 23); the Stabilization Act, 1942 (56 Stat. 765); title III of the Second War Powers Act, 1942 (56 Stat. 177), and the amendment to existing law made thereby; title XIV of the Second War Powers Act, 1942 (56 Stat. 177); and section 6 of the Act of July 2, 1940 (54 Stat. 714), all as amended and extended, shall continue in effect with respect to sugar to and including October 31, 1947, except that authority to continue inventory controls over other than household users may be exercised to and including March 31, 1948: *Provided, however, That—*

"(1) the authority contained herein shall not be deemed (i) to permit the allocation or rationing of any product (other than the allocation of such product imported or brought into the continental United States) unless a regulation providing for allocation or rationing thereof was in effect on February 18, 1947, or (ii) to permit price control over any product unless a price-control regulation with respect thereto was in effect on February 18, 1947;

"(2) no person shall be subject to any criminal penalty or civil liability, under any provision of law referred to above, on account of any act or omission which is made unlawful by section 4 of this Act;

"(3) no provision of section 204 (d) or (e) of the Emergency Price Control Act of 1942, as amended, shall apply (i) in any proceeding, involving a regulation or order with respect to sugar, in which an injunction or other order of a court is hereafter applied for, or (ii) in any proceeding, under section 37 of the Criminal Code, which is based on a conspiracy involving any act or omission which is made unlawful by section 4 of this Act;

"(4) in the case of any regulation or order with respect to sugar, no protest may be hereafter filed under section 203 of the Emergency Price Control Act of 1942, as amended; and

"(5) hereafter no person shall be required to secure a license, and no license shall be issued to any person, under section 205 of the Emergency Price Control Act of 1942, as amended, for the purpose of providing for the enforcement of any regulation or order relating to sugar.

"(b) The Secretary of Agriculture, in exercising the powers, functions, and duties transferred to him by section 3 of this Act—

"(1) may allocate sugar without regard to the provisions of title II of the War Mobilization and Reconversion Act of 1944 (58 Stat. 787);

"(2) shall allocate refined sugar for home consumption at a rate of not less than thirty-five pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals fifty pounds of refined sugar per capita; and

"(3) shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, make available, for other than provisional-allotment users, not less than 12,500 tons of refined sugar during the period from the date of the enactment of this Act to and including June 30, 1947, and not less than 12,500 tons of refined sugar during the period from July 1, 1947, to and including October 31, 1947, to provide for the needs of hardship cases, for the needs of new industrial-sugar users (with particular reference to the needs of shortage areas caused by population shifts) and for the needs of those who have an insufficient base period history to operate currently at competitive levels (and shall consider, as a determining factor in those cases where there is such insufficient base period history, the rate of growth of such user prior to the base period year).

"SEC. 2. Prior to the expiration of the authority granted by this Act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this Act when he determines that the supplies of sugar are sufficient to warrant such action.

"SEC. 3. (a) The powers, functions, and duties of (1) the President under title III of the Second War Powers Act, 1942, and the amendment to existing law made thereby; (2) the President or any executive department under section 6 of the Act of July 2, 1940; (3) the Price Administrator under the Emergency Price Control Act of 1942; and (4) the President and the Price Administrator under the Stabilization Act of 1942, all as amended and extended (and irrespective of what officer, department, or agency may be now exercising any such power, function, or duty) are, insofar as they relate to sugar, hereby transferred to and shall be executed by the Secretary of Agriculture.

"(b) Every order, directive, rule or regulation, relating to any power, function, or duty transferred by subsection (a) of this section, issued by any officer, department, or agency heretofore performing such power, function, or duty, which is not in conflict with the provisions of this Act and which is in effect on the date of the enactment of this Act, shall continue in full force and effect, according to its terms, unless and until modified or rescinded by the Secretary of Agriculture.

"(c) So much of the unexpended balances of appropriations, allocations, or other funds, and the property, available for the use of any officer, department, or agency in the exercise of any power, function, or duty transferred by subsection (a) of this section or for the use of the Secretary of Agriculture in the exercise of any power, function, or duty so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of such powers, functions, or duties. In determining the amount to be transferred, the Director of the Bureau of the Budget

may include an amount to provide for the liquidation of obligations incurred against such balances of appropriations, allocations, or other funds prior to the transfer. Such personnel as the Director of the Bureau of the Budget determines to be required may also be transferred temporarily to the Department of Agriculture pending termination of the powers, functions, and duties transferred by subsection (a) of this section. The annual and sick leave of personnel so transferred shall be transferred with them; and they shall be entitled to the benefits of section 14 of the Veterans' Preference Act of 1944 to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such powers, functions, and duties. Any personnel so transferred shall not, by virtue of their temporary employment in the Department of Agriculture, acquire or be entitled to any right to employment in such Department in connection with the exercise of any power, function, or duty other than one transferred under this Act. There are authorized to be appropriated to the Secretary of Agriculture such sums as may be necessary to carry out the provisions of this Act.

"SEC. 4. (a) It shall be unlawful for any person to do or omit to do any act, in violation of any order, directive, rule, or regulation continued in effect by section 3 (b) of this Act or issued in the exercise of any power, function, or duty transferred by section 3 (a) of this Act.

"(b) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Secretary of Agriculture in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

"(c) Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than \$5,000, or to imprisonment for not more than two years in the case of a violation of subsection (b) and for not more than one year in all other cases, or to both such fine and imprisonment.

"SEC. 5. As used in this Act—

"(a) The term 'person' includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other Government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this Act shall apply to the United States, or to any such government, political subdivision, or agency.

"(b) The term 'sugar' means any grade or type of saccharine product derived from sugarcane, sugar beets, or corn, including liquid sugar, sirups, molasses, or mixtures thereof, and sugar-containing products, which contain sucrose, dextrose, or levulose.

"SEC. 6. (a) Section 2 (a) of the Administrative Procedure Act, as amended, is amended by inserting after 'Surplus Property Act of 1944;' the following: 'Sugar Control Extension Act of 1947;'

"(b) This Act may be cited as the 'Sugar Control Extension Act of 1947.'"

And the Senate agree to the same.

CHAS. W. TOBEY,
RALPH E. FLANDERS,
BURNET R. MAYBANK,

Managers on the Part of the Senate.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. TOBEY. Mr. President, the conferees met and finished their work on last Friday, and their report is now before the Senate. The House adopted it about an hour ago.

The substitute agreed to in conference—

First. Adopts the provisions of the joint resolution as passed by the House making the Emergency Court of Appeals, protest, and license procedures under sections 203, 204 (d) and (e), and 205 of the Emergency Price Control Act of 1942 inapplicable to regulations with respect to sugar;

Second. Adopts the provisions of the joint resolution as passed by the House imposing criminal penalties, making such penalties exclusive, and eliminating civil liability such as that for triple damages.

Third. Adopts the provisions of the Senate amendment guaranteeing the housewife 35 pounds per year, and additional amounts in the event of increased supplies.

Fourth. Adopts the provisions of the Senate amendment with respect to new users in lieu of the provisions for such users in the joint resolution as passed by the House. The quantity to be made available to such users is reduced, however, to 25,000 tons (in view of the fact that controls are extended only to October 31, 1947), of which 12,500 tons is to be made available between the enactment of the joint resolution and June 30, 1947, and 12,500 tons is to be made available between July 1, 1947, and October 31, 1947. Included with new users are hardship cases and the allocation to these users is to be made as was provided in the joint resolution passed by the House "in a manner consistent with the maintenance of an effective national allocation and rationing program."

Fifth. Adopts the provisions of the Senate amendment with respect to the rights of the personnel to be transferred to the Department of Agriculture in lieu of the provisions of the bill as passed by the House.

Sixth. Gives the act a short title, "Sugar Control Extension Act of 1947," and exempts it from the operation of the Administrative Procedure Act.

Seventh. Omits subsection (c) of the first section of the bill as passed by the House which would have exempted from the effect of the resolution the importation of products in consumer-size containers upon certification by the exporting country that such products had been produced out of domestic quota sugar; and

Eighth. Omits the savings clause, section 3 (d) of the Senate amendment, which was not considered necessary, there being nothing in the act which would be considered to terminate any criminal liability.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ATOMIC ENERGY COMMISSION—NOMINATION OF DAVID E. LILIENTHAL

The Senate resumed the consideration of the nomination of David E. Lilienthal to be a member of the Atomic Energy Commission.

Mr. OVERTON obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. OVERTON. I yield for that purpose.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hickenlooper	Myers
Ball	Hill	O'Connor
Barkley	Hoey	O'Daniel
Bricker	Holland	O'Mahoney
Brooks	Ives	Overtton
Buck	Jenner	Pepper
Bushfield	Johnson, Colo.	Reed
Butler	Johnston, S. C.	Revercomb
Byrd	Kem	Robertson, Va.
Cain	Kilgore	Robertson, Wyo.
Capper	Knowland	Russell
Chavez	Langer	Saltonstall
Connally	Lodge	Smith
Cooper	Lucas	Sparkman
Cordon	McCarran	Stewart
Donnell	McCarthy	Taft
Downey	McClellan	Taylor
Dworshak	McFarland	Thomas, Okla.
Ecton	McGrath	Thomas, Utah
Ellender	McKellar	Tobey
Ferguson	McMahon	Tydings
Flanders	Magnuson	Umstead
Fulbright	Malone	Vandenberg
George	Martin	Watkins
Green	Maybank	Wherry
Gurney	Mullikin	Wiley
Hatch	Moore	Williams
Hawkes	Morse	Wilson
Hayden	Murray	Young

The PRESIDING OFFICER. Eighty-seven Senators have answered to their names. A quorum is present.

The question is, Will the Senate advise and consent to the nomination of David E. Lilienthal to be a member of the Atomic Energy Commission?

Mr. OVERTON. Mr. President, most if not all of the material information appearing of record bearing upon the confirmation of the nomination of David E. Lilienthal has, in the course of approximately a week's debate, been presented on the floor of the Senate. It is not my intention, therefore, to discuss the evidence with respect to the advisability of the confirmation of the nomination of Mr. Lilienthal or of his comembers on the Atomic Energy Commission, or of its manager, except as testimony of record may bear on the issues on which I desire to express my views at this time.

I shall confine my remarks, for the most part, to the motion made on Friday, March 28, by the junior Senator from Ohio [Mr. BRICKER]. This motion is to recommit the question of the confirmation of the Presidential appointees on the Atomic Energy Commission to the Senate section of the Joint Committee on Atomic Energy for further study, investigation, and report.

Mr. President, we are not considering the confirmation of individuals for appointment to ordinary office. We are considering the proper men for the most important Commission ever created by

any act of the Congress since the organization of our Government.

I doubt that anyone will controvert the suggestion that the Senate of the United States has never had, under their advisory capacity to the President of the United States, any office of graver import, of more far-reaching implications, of more stupendous power than the Chairman of the Atomic Energy Commission. There has been no nomination to any office under the Executive power of appointment, whether it be of a Chief Justice of the United States Supreme Court, an Ambassador to the Court of St. James, a Secretary of War or Navy, even while our Nation was engaged in war, that rivals, nay equals in magnitude the head and front of a commission that will hold within its grasp, for peace or for war, the destiny of our Nation.

The reality of atomic energy was beyond the ken and knowledge of anyone in all the world up to a few years ago. Its realism to this date is the gravest, most cataclysmic, and most tragic event in human history. Its potentialities even now lie beyond the utmost bounds of the human imagination.

The other day the junior Senator from California [Mr. KNOWLAND] gave a graphic picture of the ruin and desolation of Hiroshima, transformed instantaneously in a single blast, from hundreds of thousands of human souls and homes and buildings into mere ashes and dust blown hither and thither by the restless winds of the earth.

Yet, Mr. President, if Dame Rumor is to be credited, the blast that shattered Hiroshima is, in comparison with the destructive force of the atomic bomb today, as the noise of the pop gun to the blast of a cannon. The corporate body that will have control of the secrets of nuclear energy will have control of the life and death, not only of this Nation, but, in all probability, of all the habitable globe.

Shall we not then, in the exercise of our constitutional mandate to consent and advise with the President on the appointment of various officers of our Government, exercise every possible precaution and take advantage of every avenue of information?

Mr. President, I digress for a moment from the theme of my discourse to pay a just tribute to the chairman of the Senate section of the Atomic Energy Committee, the junior Senator from Iowa [Mr. HICKENLOOPER]. He has, with some possible exceptions which I may note later, undertaken to place before the committee and the Senate the most pertinent facts concerning these appointments. While ardently advocating the cause of Mr. Lilienthal and the remaining appointees to the Commission, he has presented the case in their favor fairly. So far as the junior Senator from Iowa dealt with the record, he has been factually correct.

But, sir, the dominating conclusion that must leap into the senatorial mind after reading the record is that the most important avenues of information regarding the nominees have been left uncharted and unexplored. And, again, sir, fault cannot be ascribed to the chairman of the Senate section of the Joint Committee on Atomic Energy for the

absence of this information. Under date of February 25, as will appear in the CONGRESSIONAL RECORD of March 28, 1947, the junior Senator from Iowa addressed a letter to the President of the United States wherein he said the committee would be asked on the floor of the Senate whether it had secured all available information. He pointed out that the importance of these appointments was so great that the committee felt obligated to request authority from the President to any investigating agencies of the executive or administrative branches of the Government to supply all information possessed by such agencies bearing upon each of the appointees, and he urges the President to make available to the committee such information and reports on these appointees, if any be possessed by the Chief Executive.

A refusal by the President was the response to the request of the committee. Rightly or wrongly, the President considered it would be best to follow the traditional course of keeping secret within the archives of the executive department information of such a character.

But, sir, the response of the President does not relieve us from our own responsibility to the American people. The obligation that rests upon us is too far-reaching in its import for us to stand upon the tradition which withholds from us the possibility, nay, the probability, of information vital to the discharge of our duties.

It is this thought, if I interpret correctly the motive of the junior Senator from Ohio, that prompted him to introduce the motion to recommit. Congress itself is, perhaps, not free from blame in this particular phase of the matter. When we enacted the Atomic Energy Commission law we provided for the Federal Bureau of Investigation to report on the qualifications, character, and loyalty of all employees under the Commission and its management. If it be important for the Congress to be advised with respect to subordinates, it seems to me that it is far more important that the Congress should be advised as to the qualifications, character, and loyalty of those who control, employ, discharge, and exercise managerial control.

Mr. President, is there anything to be lost by conducting such an inquiry? May there not be much to be gained? Could not or would not the Senate be justly criticized for failure to supply itself with the information that the trained agencies of our Government—the FBI, Military Intelligence of the Army, and Office of Naval Intelligence—can supply us? It may be objected that such an investigation and report would result in delaying selection of the Commission. If any error is committed, it is far better for us to err on the safe side, on the side of caution and prudence, than to rush pell-mell, as it were, into the selection of appointees without having before us the best sources of information of which this great Government is capable of providing.

Let me point out in this connection that one of the greatest fallacies is the claim so often asserted that unless David Lilienthal is confirmed promptly, the atomic-energy work will be retarded. Before Mr. Lilienthal had any connection with the Atomic Energy Commission or with the problem of nuclear energy, these developments happened and were performed by the old Manhattan district under military control with General Groves at its head: First, the authorized distribution nationally of beneficial radioactive isotopes for use in medical and biological fields. Second, the authorized construction of a huge laboratory, namely, Brookhaven Laboratory, at the former Camp Upton site on Long Island for atomic energy developments in which universities of the Northeast will participate. Third, the authorized enlargement of the Argonne Laboratory in Chicago for atomic-energy work in which the universities of the Midwest will participate. Fourth, the authorized construction of a tremendous laboratory at Schenectady to be operated by General Electric for atomic-energy research. Has Mr. Lilienthal done anything more than what has already been done under military control and under the supervision of General Groves?

Mr. President, the inescapable truth is that at the present time the sole practical use of atomic energy is as a weapon of war. It can be developed and will be put to industrial use for peacetime purposes. But according to the best information available to me, at least 3 years will elapse before scientific research will have advanced sufficiently far to apply atomic energy to industrial purposes. On the other hand, I make bold to say that we do need, as a nation, for our self-preservation now—right now—the atomic bomb as a weapon of war. The need for the weapon has not been growing less since the creation of the United Nations. The need is, in truth, growing apace and too rapidly, I fear for the maintenance of the peace of the world. If war should come, I should want this mighty weapon under the control of those most experienced and best able to handle it in the hour of national peril. I believe that atomic energy should be under military control until there is an assurance that the threat of war is ended and that we have won the fight for peace. Then, but not until then, we may return it to a civilian commission which will consider it mainly, if not altogether, as an instrumentality of peace and not of war. Therefore, Mr. President, I very eagerly joined with the Senator from Montana [Mr. ETON], the Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Oklahoma [Mr. THOMAS] in the introduction of a bill to amend the atomic energy law so as to place atomic energy under the control of the Secretary of State, Gen. George C. Marshall, the office of the Secretary of War, who is now Robert P. Patterson, and the office of the Secretary of the Navy, who is now James Forrestal, with two civilians to be nominated by the President and confirmed by the Senate.

×Lt. Col. Theodore Francis Wessels, Infantry (temporary colonel).
 ×Lt. Col. Malcolm Fraser Lindsey, Infantry (temporary colonel).
 ×Lt. Col. Horace Oscar Cushman, Infantry (temporary colonel).
 Lt. Col. William Malne Hutson, Infantry (temporary colonel).
 ×Lt. Col. David Henry Finley, Quartermaster Corps (temporary colonel).
 ×Lt. Col. Vinton Lee James, Jr., Infantry (temporary colonel).
 ×Lt. Col. William Franklin Campbell, Quartermaster Corps (temporary colonel).
 ×Lt. Col. Henry Lester Barrett, Infantry (temporary colonel).
 ×Lt. Col. Archibald Donald Fiskien, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. Fenton Stratton Jacobs, Cavalry (temporary colonel).
 ×Lt. Col. Raymond Rolland Toutillott, Infantry (temporary colonel).
 ×Lt. Col. Lawrence Locke Clayton, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. William Mayer, Field Artillery (temporary colonel).
 ×Lt. Col. James Laird Craig, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. Ray Maxey Hare, Quartermaster Corps (temporary colonel).
 ×Lt. Col. Charles Ernest Loucks, Chemical Corps (temporary colonel).
 ×Lt. Col. Herbert Vaughan Scanlan, Cavalry (temporary colonel).
 ×Lt. Col. Russell Gordon Ayers, Infantry (temporary colonel).
 ×Lt. Col. Charles Hayden Owens, Infantry (temporary colonel).
 ×Lt. Col. Joseph William Loef, Field Artillery (temporary colonel).
 ×Lt. Col. Albert Dickinson Foster, Infantry (temporary colonel).
 Lt. Col. Donald Parker Spalding, Infantry (temporary colonel).
 ×Lt. Col. Erill Dale Porter, Infantry (temporary colonel).
 ×Lt. Col. Harold Jack Adams, Signal Corps (temporary colonel).
 ×Lt. Col. William Booth Van Auken, Quartermaster Corps (temporary colonel).
 ×Lt. Col. Archer Lynn Lerch, Judge Advocate General's Department (temporary major general).
 ×Lt. Col. Charles James Deahl, Jr., Infantry (temporary colonel).
 ×Lt. Col. Arcadi Gluckman, Infantry (temporary colonel).
 ×Lt. Col. Dale Milton Hoagland, Field Artillery (temporary colonel).
 ×Lt. Col. James Polk Gammon, Infantry (temporary colonel).
 ×Lt. Col. Burton Curtis Andrus, Cavalry (temporary colonel).
 ×Lt. Col. Arthur Lafayette Warren, Field Artillery (temporary colonel).
 ×Lt. Col. Irwin Lytle Lummls, Infantry (temporary colonel).
 ×Lt. Col. David Lewis Ruffner, Field Artillery (temporary colonel).
 ×Lt. Col. Mark Milton Serrem, Ordnance Department (temporary colonel).
 ×Lt. Col. Arthur William Gower, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. John Taylor Lewis, Coast Artillery Corps (temporary major general).
 ×Lt. Col. Ross Breckon Warren, Field Artillery (temporary colonel).
 ×Lt. Col. Walter David Luplow, Corps of Engineers (temporary colonel).
 ×Lt. Col. Samuel Lusker McCroskey, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. Oliver Boone Bucher, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. Clarence Ames Martin, Infantry (temporary major general).
 ×Lt. Col. Francis Stuart Swett, Coast Artillery Corps (temporary colonel).

×Lt. Col. Henning Linden, Infantry (temporary colonel).
 ×Lt. Col. Harold Taylor Brotherton, Field Artillery (temporary colonel).
 ×Lt. Col. Miles Whitney Kresge, Ordnance Department (temporary colonel).
 ×Lt. Col. Ralph de Poix Terrell, Field Artillery (temporary colonel).
 ×Lt. Col. Walter Alexander Dumas, Infantry (temporary colonel).
 ×Lt. Col. Edwin Emerson Keatley, Infantry (temporary colonel).
 ×Lt. Col. Don Magruder Scott, Infantry (temporary colonel).
 ×Lt. Col. Robert Edward Wysor, Jr., Infantry (temporary colonel).
 ×Lt. Col. James Harold Day, Infantry (temporary colonel).
 ×Lt. Col. George William Outland, Ordnance Department (temporary colonel).
 ×Lt. Col. John Mead Silkman, Corps of Engineers (temporary colonel).
 ×Lt. Col. Loren Archibald Wetherby, Infantry (temporary colonel).
 ×Lt. Col. Bernard Butler McMahon, Infantry (temporary colonel).
 ×Lt. Col. George Edwin Fingarson, Infantry (temporary colonel).
 Lt. Col. Stanley Raymond Mickelsen, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. Ernest Albert Rudelius, Infantry (temporary colonel).
 ×Lt. Col. William Lee Blanton, Infantry (temporary colonel).
 ×Lt. Col. Thomas Brady, Jr., Quartermaster Corps (temporary colonel).
 ×Lt. Col. Porter Pise Wiggins, Infantry (temporary colonel).
 ×Lt. Col. Gilbert Xavier Cheves, Cavalry (temporary colonel).
 ×Lt. Col. William Edward Corkill, Field Artillery (temporary colonel).
 ×Lt. Col. John Thomas Zellars, Infantry (temporary colonel).
 ×Lt. Col. Emons Bert Whisner, Infantry (temporary colonel).
 ×Lt. Col. Hugh Tullock Mayberry, Infantry (temporary colonel).
 ×Lt. Col. Harry Staples Robertson, Infantry (temporary colonel).
 ×Lt. Col. Andrew Jackson Wynne, Quartermaster Corps (temporary colonel).
 ×Lt. Col. Olaf Phillips Winningstad, Ordnance Department (temporary colonel).
 ×Lt. Col. Winfred Charles Green, Field Artillery (temporary colonel).
 ×Lt. Col. Marion Irwin Voorhes, Quartermaster Corps (temporary colonel).
 ×Lt. Col. George Van Wyck Pope, Infantry (temporary colonel).
 ×Lt. Col. George Ellsworth Butler, Infantry (temporary colonel).
 ×Lt. Col. Joel Rankin Burney, Infantry (temporary colonel).
 ×Lt. Col. Milton Burton Persons, Signal Corps (temporary major general).
 ×Lt. Col. Homer Case, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. Earl Cranston Ewert, Field Artillery (temporary colonel).
 ×Lt. Col. Bld Little, Infantry.
 ×Lt. Col. Guy Cummins McKinley, Jr., Infantry (temporary colonel).
 ×Lt. Col. Harold Hugh McClune, Infantry (temporary colonel).
 ×Lt. Col. Harold Pearson Gibson, Infantry (temporary colonel).
 ×Lt. Col. Gilbert Everhard Parker, Infantry (temporary colonel).
 ×Lt. Col. Francis Beeston Laurenson Myer, Quartermaster Corps (temporary colonel).
 ×Lt. Col. John George Murphy, Coast Artillery Corps (temporary colonel).
 ×Lt. Col. Gustave Villaret, Jr., Infantry (temporary colonel).
 ×Lt. Col. Edwin Sanders Van Deusen, Quartermaster Corps (temporary colonel).

×Lt. Col. Joe Jene Miller, Signal Corps (temporary colonel).
 ×Lt. Col. John Ernest Dahlquist, Infantry (temporary brigadier general).
 ×Lt. Col. William Eugene Farthing, Air Corps (temporary brigadier general).
 ×Lt. Col. Tom Sherman Brand, Infantry (temporary colonel).
 ×Lt. Col. James Robinson Urquhart, Infantry (temporary colonel).
 ×Lt. Col. Morrill Watson Marston, Infantry (temporary brigadier general).
 ×Lt. Col. William Edward Bergin, Adjutant General's Department (temporary brigadier general).
 ×Lt. Col. John Calvin Butner, Jr., Field Artillery (temporary colonel).
 ×Lt. Col. Edward Stanley Ott, Field Artillery (temporary brigadier general).
 ×Lt. Col. Melvin Leslie McCreary, Field Artillery (temporary colonel).
 ×Lt. Col. Herman Hollie Felix Gossett, Field Artillery (temporary colonel).
 ×Lt. Col. Murray Matthews Montgomery, Field Artillery (temporary colonel).
 ×Lt. Col. Lester Johnson Whitlock, Field Artillery (temporary brigadier general).
 ×Lt. Col. Harry Lee Campbell, Ordnance Department (temporary colonel).
 ×Lt. Col. John Kay Christmas, Ordnance Department (temporary brigadier general).
 ×Lt. Col. Harvey Edward, Quartermaster Corps (temporary colonel).
 ×Lt. Col. Leo James McCarthy, Infantry (temporary colonel).
 ×Lt. Col. Ernest Arthur Williams, Cavalry (temporary colonel).
 ×Lt. Col. George Price Hays, Field Artillery (temporary major general).
 ×Lt. Col. Harry Squire Wilbur, Infantry (temporary colonel).
 ×Lt. Col. Ralph Julian Canine, Field Artillery (temporary brigadier general).
 ×Lt. Col. Timothy Asbury Pedley, Jr., Infantry (temporary colonel).
 ×Lt. Col. Donald Ross Dunkle, Cavalry (temporary colonel).
 ×Lt. Col. Chester Earl Davis, Cavalry (temporary colonel).
 ×Lt. Col. Edwin Turner Bowden, Quartermaster Corps (temporary colonel).
 ×Lt. Col. Holmes Gill Paullin, Cavalry (temporary colonel).
 ×Lt. Col. Ray Edison Porter, Infantry (temporary major general).
 ×Lt. Col. Clarence Clemons Park, Field Artillery (temporary colonel).
 ×Lt. Col. Glenn Smith Finley, Cavalry (temporary colonel).
 ×Lt. Col. William Volney Rattan, Infantry (temporary colonel).
 ×Lt. Col. Rosswell Eric Hardy, Ordnance Department (temporary brigadier general).
 ×Lt. Col. Lloyd Zuppann, Infantry (temporary colonel).
 ×Lt. Col. John Kirkland Rice, Infantry (temporary brigadier general).
 ×Lt. Col. James Holden Hagan, Infantry (temporary colonel).
 ×Lt. Col. Charles Spurgeon Johnson, Infantry (temporary colonel).

NOTE.—Dates of rank are omitted from this nomination. The first 349 nominees to be promoted will be given date of rank as December 28, 1945, to fill original vacancies authorized by Public Law 281, Seventy-ninth Congress, approved December 28, 1945. The remaining nominees will be given dates of rank appropriate to the vacancies they will fill. The dates of rank are omitted in order to assure that 349 officers may be promoted to fill the vacancies authorized by Public Law 281. If any of these officers should retire or die prior to promotion it would necessitate renominating the remaining officers in order to change their dates of rank to correspond with the vacancies.

House of Representatives

MONDAY, MARCH 31, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lift up your heads, O ye gates; and be ye lifted up, ye everlasting doors; and the King of Glory shall come in. Who is this King of Glory? The Lord of Hosts, He is the King of Glory.

O Conqueror, Thou who cometh in the name of the Lord, who didst go through the rejoicing multitude to a hill where stood a cross, make us, we beseech Thee, sharers in thy devoted spirit, as we remember the glory of Thy triumphant entry. Give us the faith which supported Thee and led Thee onward in Thine appointed mission. By gentleness, by selfless service, help us to breathe Thy spirit and interpret to men Thy rule of life, to the end that the kingdom of God may come upon the earth and be exalted in human hearts and homes. In Thy holy name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, March 28, 1947, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 89. Joint resolution to provide for the printing and distribution of certain matter relating to congressional activities, authorized by section 221 of the Legislative Reorganization Act of 1946, to be included in the CONGRESSIONAL RECORD.

The message also announced that the President pro tempore has appointed Mr. LANGER and Mr. CHAVEZ members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of Justice.
4. Department of the Navy.
5. Department of the Treasury.
6. Federal Security Agency.
7. Federal Works Agency.
8. National Archives.
9. Railroad Retirement Board.
10. Tennessee Valley Authority.

OFFICE OF SELECTIVE SERVICE RECORDS

The SPEAKER laid before the House the following communication, which was read by the Clerk:

MARCH 29, 1947.

The Honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to the special order agreed to yesterday, the Clerk did on this day re-

ceive from the Secretary of the Senate a message in writing attesting to the fact that the Senate had agreed to the amendments of the House to the bill (S. 918) entitled "An act to establish an Office of Selective Service Records to liquidate the Selective Service System following the termination of its functions on March 31, 1947, and to preserve and service the selective service records, and for other purposes."

Very truly yours,

JOHN ANDREWS,

Clerk of the House of Representatives.

DEFICIENCY APPROPRIATION BILL

The SPEAKER laid before the House the following communication, which was read by the Clerk:

MARCH 28, 1947.

The Honorable the SPEAKER,

House of Representatives.

SIR: Pursuant to the special order agreed to today, the Clerk received from the Secretary of the Senate the engrossed bill of the House of Representatives (H. J. Res. 159) entitled "Joint resolution making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes," attested by the Secretary as having passed the Senate without amendment March 28 (legislative day of March 24), 1947.

Very truly yours,

JOHN ANDREWS,

Clerk of the House of Representatives.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had on March 28, 1947, examined and found truly enrolled a bill and joint resolutions of the House of the following titles:

On March 28, 1947:

H. R. 1240. An act to provide for the suspension of navigation and vessel-inspection laws, as applied to vessels operated by the War Department, upon the termination of title V, Second War Powers Act, 1942, as amended;

H. J. Res. 76. Joint resolution authorizing the Commandant of the United States Coast Guard to waive compliance with the navigation and vessel-inspection laws administered by the Coast Guard; and

H. J. Res. 159. Joint resolution making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

The SPEAKER. The Chair desires to announce that, pursuant to the authority granted him on Friday, March 28, 1947, he signed enrolled bills and joint resolutions as follows:

On March 28, 1947:

H. R. 1240. An act to provide for the suspension of navigation and vessel-inspection laws, as applied to vessels operated by the War Department, upon the termination of title V, Second War Powers Act, 1942, as amended;

H. J. Res. 76. Joint resolution authorizing the Commandant of the United States Coast Guard to waive compliance with the navigation and vessel-inspection laws administered by the Coast Guard;

H. J. Res. 159. Joint resolution making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes; and

S. 918. An act to establish an Office of Selective Service Records to liquidate the Selective Service System following the termination of its functions on March 31, 1947, and to preserve and service the selective service records, and for other purposes.

ANNOUNCEMENT

The SPEAKER. Owing to the fact that a conference report must be passed on in the House as early as possible in order that it may go to the Senate and become law today, the Chair feels that 1-minute speeches and requests for extensions must wait until after the disposition of this conference report.

EXTENSION OF AUTHORITY WITH RESPECT TO DISTRIBUTION AND PRICING OF SUGAR

Mr. WOLCOTT. Mr. Speaker, I call up the conference report on the resolution (H. J. Res. 146) to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes; and I ask unanimous consent that this statement may be read in lieu of the report.

The Clerk read the title of the House joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of March 28, 1947.)

Mr. WOLCOTT. Mr. Speaker, the reading of the statement of the managers on the part of the House discloses that about the only changes from the House bill are in the interest of clarity. The bill as adopted by the conferees is substantially the bill as it passed the House.

Some questions have arisen as to whether sugar will be made available to new users, those without a sufficient base period, and hardship cases. The conferees have agreed that the Secretary of Agriculture should make sugar available to new users, to those without a base period, and for the needs of hardship cases in a manner consistent with the maintenance of an effective national allocation and rationing program. In order that there might be no question that the Secretary of Agriculture should make available sugar for canning purposes, and for the prevention of spoilage and wastage of food, you will find on page 6 of the conference report, in the statement of the managers on the part of the House, substantially the same language as was contained in the House report, which clearly defines the intent of the Congress to making sugar available

to prevent spoilage and wastage of food, in which it provides:

It is the intention that the Secretary, in exercising his allocation powers under this legislation, shall make just and reasonable provision for meeting need for sugar to avoid wastage of milk and other food products.

Mr. ANDERSON of California. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from California.

Mr. ANDERSON of California. I was interested in that language contained on page 6 of the conference report. May I ask the gentleman if the sugar to be allocated under the Secretary's authority is a part of the 25,000 tons referred to in the previous paragraph, or is that in addition to the 25,000 tons?

Mr. WOLCOTT. The sugar made available under the 25,000 tons is for provisional use, and it is my interpretation that the amount of sugar made available for hardship cases and new users is in addition to and not a part of the 25,000 tons.

Mr. MCGREGOR. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Ohio.

Mr. MCGREGOR. I wonder if the gentleman can tell us what the per capita amount of refined sugar is that is now being used by the people.

Mr. WOLCOTT. I think, perhaps, I will have to divide that answer in two different parts. It is expected that this year there will be about 93 pounds available per capita as against a normal of 103 pounds. Now, that is for all domestic purposes, commercial as well as household purposes. Last year there was allocated 25 pounds per capita per annum. Under the estimate made for this year which, as I said, is within 10 pounds per capita of normal production, there is no question at all but that the householder shall be allocated at least 35 pounds per capita. The Senate wrote a provision in here that sugar should be allocated to household users on the basis of not less than 35 pounds per capita, and that any increase in the estimate should be allocated to the household users up to 50 pounds per capita. They did not have to do that. It might be a redundancy, but is an added protection which assures that each consumer, for household purposes, separate and apart from industrial purposes, shall get at least 35 pounds per capita. They possibly will get 50 pounds per capita, and perhaps more than that.

I do not think this sugar problem, Mr. Speaker, is nearly as serious as we have presumed. We are getting along splendidly, and I think one of our problems next year is going to be—I hope next year, anyway—that we will have so much sugar that there will not be any question of rationing; it will be a question of getting rid of the surplus.

Mr. MCGREGOR. Is my understanding correct that if we are allocated 50 pounds and it can be proven that we cannot put up our fruits with the 50 pounds allocated to us we are entitled to have more sugar?

Mr. WOLCOTT. It is very clearly the intention of the Congress that every pos-

sible attempt should be made to provide not only any additional sugars which are available but any sugar which is necessary to prevent wastage and spoilage. Of course we intend that there shall be made available adequate sugar for preventing wastage and spoilage of foods.

Mr. RIZLEY. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. If I understand this conference report correctly, you continue the rationing of sugar until October 31 of this year. Then you continue the inventory control over sugar until next March.

Mr. WOLCOTT. Yes. Control over commercial and industrial inventories is permitted until March 31, 1948.

Mr. RIZLEY. Following the question of the gentleman from Ohio [Mr. MCGREGOR], may I inquire who makes the determination as to whether the housewife who needs more than 50 pounds of sugar for canning shall have the sugar?

Mr. WOLCOTT. The Secretary of Agriculture.

Mr. RIZLEY. Has the Secretary of Agriculture now a set-up in his office to take over the handling and control of sugar?

Mr. WOLCOTT. We provide for the transfer of appropriations and personnel to him, subject to the approval of the Director of the Budget.

Mr. RIZLEY. In other words, you take the present employees of the OPA, or whatever its successor was, and transfer them to the Department of Agriculture for the purpose of further rationing and allocating the sugar up until October 31?

Mr. WOLCOTT. In practice it will be whether the Secretary of Agriculture wants them and whether the Bureau of the Budget will certify them as necessary, but I may say to the gentleman that the problem we have had has not been with the clerks and stenographers of OPA, it has been on the policy-making level, at the top. From now on, the policies with respect to the allocation and pricing of sugar will be under the direct control of the Secretary of Agriculture, Mr. Clinton Anderson, in whom I think we have more confidence than we have had in the administrators of OPA.

Mr. RIZLEY. There is one other question I should like to ask the gentleman from Michigan, who has been very familiar with the whole rationing program from the beginning. If I understand the gentleman correctly, he observed that he did not think this sugar question is now nearly as serious as a lot of people seem to think it is.

Mr. WOLCOTT. I think it is becoming decreasingly serious every day. I did not want to indicate that there is no serious sugar shortage now.

Mr. RIZLEY. In view of that statement, that it is not as serious as a lot of people seem to think it is, does not the gentleman believe the time is about here when we can get rid of these controls put on by virtue of the war? If it is not a serious matter, does not the gentleman believe it would be a pretty good idea to give the housewives of the country a little

relief by just doing away with this thing now, in its entirety instead of continuing it on piecemeal, part of it until October 31 and the balance of it up until March 1948?

Mr. WOLCOTT. That is just the problem. Because there is a world shortage of sugar at the present time, if we were to remove controls at the present time, it is very doubtful whether the housewife would be getting much sugar 30 days from now. We would invite competition between the commercial and industrial users and the housewife to the prejudice of household users. It is for the purpose of assuring the housewife that she is going to get an equitable supply of sugar that we are continuing this program until October 31, with the hope that production will be sufficient by that time to allow the controls to come off in an orderly manner without too much shock to our sugar industry and that part of the economy which is more or less dependent on sugar.

Mr. RIZLEY. That is the excuse the controllers always give, shortage. We will continue to have shortages so long as we attempt to control our economy by New Deal planners. And so long as we continue to attempt to feed the whole world.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. McCORMACK. May I inquire of the gentleman if his committee is watching the present price situation as it affects consumers generally with a view to taking action unless there is a reduction in the cost of living?

Mr. WOLCOTT. We are watching it with tremendous interest.

Mr. McCORMACK. With the intention of taking action, if necessary, for the protection of the consumers' interest?

Mr. WOLCOTT. If it is necessary, but I think industry is taking the action which is necessary to bring about reduced prices.

Mr. McCORMACK. I notice they are failing to cooperate.

Mr. WOLCOTT. Industry is producing goods more rapidly at the present time than they ever produced before even in wartime. Industry is producing goods so rapidly in the United States today that our capacity for production really amazes us. One of the greatest problems today in many lines is the question of markets for our surplus production. That involves a great danger and that is why the gentleman and myself gave some consideration to making foreign credit available so that when we have these surpluses, probably this year and next year, we will have markets for them.

Mr. McCORMACK. My purpose originally in asking the gentleman to yield was in connection with the October 31st date. That is based upon the hope that there will be such an increase in production that there will be no sharp increase in price levels.

Mr. WOLCOTT. That is right.

Mr. McCORMACK. For the purposes of the record, would we be able to ascertain by early July whether or not that

hope will materialize so far as production is concerned?

Mr. WOLCOTT. I do not know that we would be able to determine that with any degree of definiteness in July and perhaps not before August or September. But the date of October 31 is predicated upon the fact that the world-crop figures will then be pretty well known, and we will know just about what the domestic crop is going to amount to. So that, by October 31, if we have even a normal year this year, it is thought that we can safely take controls off.

I do not think we can tell definitely by July because many things might happen between July and September. By the latter part of August or the fore part of September, we should know within a few hundred thousand tons about how much sugar is going to be available in the world.

Mr. McCORMACK. I recognize the situation and, of course, the conference report should be agreed to. But the thought I had in mind was that if there was a rapid increase in the cost of living, we would have to take some action for the protection of consumers somehow or other along this line. Is that a fair inference to draw?

Mr. WOLCOTT. Perhaps so, but I do not think the danger lies so much in an abnormal increase in the price of sugar. When controls come off in October, even if we are still in reasonably short supply, sugar will be coming on the market, so shortly after the danger would lie more in the fact that the commercial and industrial users might bid for the available supplies to the prejudice of the housewife. That is the reason why we kept this provision here for the permissive control of inventories so that the Secretary of Agriculture can say to an industrial user of sugar, "You usually keep a 60-day supply of sugar on hand and, therefore, you should not have more than a 60-day supply of sugar on hand until March 31, 1948."

Mr. McCORMACK. I thank the gentleman for his observation.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mrs. ROGERS of Massachusetts. I was in my district on Saturday and Sunday. Family after family said to me, "We have no sugar in our sugar bowls." I assured them that I believed it was the feeling of the chairman of the committee that there would be more sugar for canning and more sugar available, and that there must be more sugar than was anticipated because Dr. Marshall, of the Department of Agriculture, promised me before this legislation was introduced that the farmers would be given their regular supply of sugar to be used to make condensed milk out of their skimmed milk. Apparently, therefore, there is more sugar than was anticipated. But I know the gentleman is working on that. I voted rather reluctantly to retain controls until October 31, but I had faith in the gentleman and his committee.

Mr. WOLCOTT. We did stress the necessity for making sugar available to prevent food wastage and spoilage. I

may say the family sugar bowls will be replenished tomorrow. I think there is another stamp made valid tomorrow.

Mrs. ROGERS of Massachusetts. The gentleman usually gets what he goes after.

Mr. WOLCOTT. I thank the lady from Massachusetts.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. JENSEN. Is there any relief in this bill for retail dealers in sugar who have had their stamps lost or stolen, to the end that they cannot supply their customers with even a small supply of sugar at the present time? What, if anything, has been done about a situation of that nature?

Mr. WOLCOTT. I think there is a little relief, at least, to them in subsection (2) of section (b), on page 2 of the conference report, where provision is made for the needs of hardship cases, needs of new industrial users, and then in parentheses you will find this language:

With particular reference to the needs of shortage areas caused by population shifts.

The retailer would have too little sugar for two reasons: Because he has lost his stamps, because he perhaps has cashed counterfeit stamps, but that in itself would be a hardship case which the Secretary of Agriculture would have to give consideration to. Then, if in a town where there are perhaps only two grocery stores which has had an unusual increase in population, due to population shift, throwing an added burden on those two grocers, that condition would have to be considered as creating a hardship, and the Secretary of Agriculture would have to give consideration to the needs of that community. In that manner the retail grocers would have their allotments increased proportionate as the population has increased.

Mr. JENSEN. Then the gentleman does feel there is some relief in this bill in the case which I have mentioned?

Mr. WOLCOTT. Yes; if it is properly administered, there will be substantial relief, and I am certain it will be properly administered.

Mr. JENSEN. I received this morning a petition from several hundred housewives in the city of Shenandoah, Iowa, and the surrounding community, in which they point out very carefully that they are worried about the sugar condition, and that sugar is very short at the present time. I understood the gentleman to say it was not a very serious situation at the present time.

Mr. WOLCOTT. I think it is becoming less serious every day.

Mr. JENSEN. But will this thing be straightened out in time to take care of the canning season—that is, the canning of fruit in the country?

Mr. WOLCOTT. Yes. The housewife will be much better off with this bill than she would be without it.

Mr. JENSEN. Categorically, just how much better off do you think she will be?

Mr. WOLCOTT. In the first place, she will be assured of 10 pounds, per capita, more than she had last year, with the hope that if the sugar production is

as it is estimated, somewhat better than normal, she will get up to 50 pounds as against 25 pounds last year. She will get that between now and October at that rate. Then, on October 31, all controls go off, and I hope she will be able to get all the sugar she will want after that date. There is some canning to be done, of course, at that time. It runs into November, I understand, although I quite agree that most canning is done before that. But most of the canning this year will be done at a time when sugar is under control, having the effect of guaranteeing that she will get much more sugar than she got last year.

Mr. JENSEN. And getting it soon—in plenty of time for canning, say within the next month or two?

Mr. WOLCOTT. We hope so. I think the fact that they are giving the housewives a little bonus on tomorrow, April 1, indicates that they realize that the sugar situation will be better than that which existed 2 or 3 months ago.

Mr. SCHWABE of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SCHWABE of Oklahoma. From the realistic standpoint, I understand the gentleman to say that the Secretary of Agriculture will make additional allocations to prevent wastage. How does that apply to the housewife or someone who wants to use sugar to can fruit to prevent its going to waste? The individual cannot take it up with the Secretary of Agriculture. Are we going to have an OPA in the communities to determine this additional allocation?

Mr. WOLCOTT. We are not going to have any more OPA as far as sugar is concerned.

Mr. SCHWABE of Oklahoma. Where is the housewife going to get in touch with the Secretary of Agriculture to get this allocation?

Mr. WOLCOTT. The Secretary of Agriculture probably will not deal with the individual housewife.

Mr. SCHWABE of Oklahoma. How is she going to get the additional sugar?

Mr. WOLCOTT. He will deal generally with the problem when it arises. If there is not sugar available to meet the needs for preserving food at the time of its harvest the Secretary of Agriculture will know the needs of the housewives and then he will make arrangements to validate coupons for increased amounts of sugar.

Mr. SCHWABE of Oklahoma. What I am trying to get at is, How is the housewife to get this additional allocation to prevent the wastage of her fruit as it ripens?

Mr. WOLCOTT. Through directive or order of the Secretary of Agriculture which will be applicable generally to all household users.

Mr. SCHWABE of Oklahoma. Then it applies only to a class?

Mr. WOLCOTT. That is right, the whole class of consumers throughout the United States in the class of household users.

Mr. SCHWABE of Oklahoma. That will not aid the individual housewife.

Mr. WOLCOTT. Yes; I believe it will; she will get as much as anybody else. It

will aid the gentleman's wife just as it will aid my wife.

Mr. SCHWABE of Oklahoma. Then we have this problem, the stores right here in Washington full of sugar but there are no stamps, there are no pass-words or anything to enable consumers to get the sugar. That is true all over the country.

Mr. WOLCOTT. Stamps for additional amounts of sugar will be validated tomorrow.

Mr. SCHWABE of Oklahoma. They must have anticipated this; is that right?

Mr. WOLCOTT. Yes; they anticipated that there would be demand for the sugar. The fact that grocers, wholesale and retail, have adequate stocks of sugar on hand at the present time indicates that if we did not have this rationing at this time there would not be any sugar in the warehouses. Everybody would buy all the sugar as fast as they possibly could to the prejudice of the late comer. That is the reason for having it in the hands of grocers, so as to have a stock to meet the demand next week and the week following. You might just as well say that because the warehouses in Michigan are stocked today we should do away with rationing entirely; but we do not know what is going to happen 3 months from now. If we did not have rationing probably no housewife would have much sugar then.

Mr. SCHWABE of Oklahoma. And the continuation of inventory controls does enable the Secretary of Agriculture to continue the sugar control, although, as the gentleman says, only as to wholesalers or dealers.

Mr. WOLCOTT. Yes. The gentleman will remember that I offered an amendment on the floor to continue those controls only to nonhousehold users. It applies only to nonhousehold users. In conference we were very insistent that that provision stay in the bill. There was no trouble among the conferees in that respect.

Mr. SCHWABE of Oklahoma. Then we can rest assured that we are not going to have a continuation of the New Deal control and planned economy in reference to sugar rationing?

Mr. WOLCOTT. That is my hope.

Mr. BUCK. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. BUCK. Am I correct in assuming that inventory control after October 31 also means use control?

Mr. WOLCOTT. No.

Mr. BUCK. Then what is to prevent a person who has laid in a 60-day inventory from using it at a greatly accelerated rate, replacing his inventory the next day? I do not see how you can have effective control if you do not have use control along with the inventory control.

Mr. WOLCOTT. Does the gentleman mean would a commercial user be allowed to expand?

Mr. BUCK. Expand his consumption.

Mr. WOLCOTT. I think the Secretary of Agriculture probably would take an average over a period of time to determine what that man's current needs or that industry's current needs were, and if he had, we will say, 20 tons of

sugar in his warehouse on the average and he was replenishing that and keeping 20 tons in there, perhaps a normal 30-day supply, the Secretary of Agriculture would say: "You can have no more than 20 tons or a 30-day supply." He would have to use it out of his incoming sugar.

Mr. BUCK. Then control after October 31 does involve consumption control? It must be effective.

Mr. WOLCOTT. Of volume use; yes.

Mr. BUCK. Yes. Will the gentleman explain how the Department of Agriculture is going to police that?

Mr. WOLCOTT. That has not been worked out. It is a question of administration. Frankly, I may say it is one of our purposes to get rid of the cumbersome administrative machinery we now have. The Government should be encouraged to simplify control, or the enforcement of sugar control; so I think that is a problem which might well be left to the Appropriations Committee, the question as to how much of a staff it will give the Secretary of Agriculture to enforce it.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I am afraid the RECORD will show something I do not believe should be in this. Inventory control, as I understand this bill, does not prevent manufacturer A, for instance, from using 40 tons of sugar instead of 20 tons of sugar. Your rationing goes off on October 31. The Secretary cannot ration sugar subsequent to that date, but he can say, "You, Mr. Wholesaler B, can have on your floor no more than a 60-day supply of sugar at a time." You are in a free market so far as purchases are concerned. So when you reduce your inventory of sugar to a 30-day supply, if the rule is 60 days, you can go in the market and buy another 30-day supply of sugar, whether you are a manufacturer or a wholesaler. The point is, you must not have on your floor or in inventory sugar in excess of what the Secretary of Agriculture says you may have. Is that not the right interpretation?

Mr. WOLCOTT. I think in practice it is, but you have this additional protection: Every industrial and commercial user might expect when price control is off of sugar that there will be an immediate reaction in the prices. Prices may immediately go up; yet he knows also from experience that prices will very shortly afterward come back down perhaps below what they were before controls were taken off. So he is not going to stock unusually large inventories of sugar at high prices which he will have to sell for less than he paid for it. That controls very much these inventories and I do not think we need to worry too much about that. They have to go into the open market, and inasmuch as they cannot increase their inventories the only way they could use a disproportionate amount of sugar would be to expand their production, which is probably now at capacity. So the two influences are against unusually large inventories. One, they will not have equipment to expand or to use so much sugar as to prejudice

the needs of the householder; and second, it would not be very good business on their part to buy in a high-price market and sell in a few weeks in a low-price market.

Mr. BUCK. If a particular manufacturer doubled his output on November 1, then he would be permitted to have double the amount of inventory?

Mr. WOLCOTT. No. It would be under regulation. He could not start to build up those inventories. It would be under control. He would have to build his inventories before the controls went off, and he could not do that under the rationing system.

Mr. BUCK. How often could he replace his inventory?

Mr. WOLCOTT. As often as it was necessary to maintain it at his average level, I presume. That would be under regulation also.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New York.

Mr. KEATING. When this bill was before the House we amended it to provide that nothing in it would be construed to violate any of the provisions of the Veterans Preference Act of 1944, and I note the conference report has some wording different from that. Would the gentleman explain that to us and assure us that it is at least the equivalent of what we passed?

Mr. WOLCOTT. Yes. We did not think when we wrote the language in here that authorized the transfer temporarily of these employees that there would be any question but that the word "temporarily" modified the length of service and not the status of the individual. The Civil Service Commission, however, gave an interpretation which indicated there was some doubt in their minds as to whether it went to the status of the individual or to his employment. To clarify the fact that we did not intend by this transfer to interfere in any manner with the Civil Service status of the employee transferred, we substituted the language at the top of page 7 for the language that we had in the House bill. This positively assures that the civil service status of the employee transferred will in no way be affected.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The conference report guarantees each consumer 35 pounds of sugar for this year, as I understand. We are dealing now with the question of supply, because our sugar has been produced and is now being refined, and there will be very little more available from the 1947 production until after these controls go off, so we are dealing with the question of distributing the supply which we have on hand and which is now being refined in Cuba.

I think it should be pointed out that we secure approximately 40 percent of our sugar from Cuba to take care of the needs of the American people. The Cuban production will be approximately 1,500,000 tons greater for this crop year than it was for last year. Now, the com-

mittee report holds out some hope to the consumers of this Nation.

Mr. WOLCOTT. Does the gentleman give that figure advisedly?

Mr. AUGUST H. ANDRESEN. That figure of 1,500,000 is the Department's figure; that is the Cuban figure. Everybody in industry has said it would be more than that, so I will take the Department's estimate on that. But what I want to point out is this: I do not think we should hold out a false hope that the housewives, the consumers, will each get 50 pounds of sugar because as I see it it is entirely dependent on what the International Emergency Food Council does with the consent of our administration in distributing that extra sugar from Cuba to other countries of the world.

Mr. WOLCOTT. Excepting that the Emergency Food Council has already allocated the estimated increase of Cuban production.

Mr. AUGUST H. ANDRESEN. Well, that is 1,500,000 tons. In the last 30 days the Cubans estimate that they will have five or six hundred thousand tons more than the January estimate. Now, I say this: That the American people are entitled to that extra five or six hundred thousand tons from Cuba, which will give them at least 5 pounds more sugar, to make it 40 pounds instead of 35 pounds, and also give some more to industrial users. Our Food Committee has made that request to the Secretary of Agriculture—that he will give that extra 5 pounds to the American consumers, which will give us 40 pounds instead of 35 pounds.

Mr. WOLCOTT. I wish the gentleman's Food Study Committee would continue to stress the point which the gentleman has just made—that it is the intention of Congress that any increase in the Cuban crop production should be reflected in proportionate increases in the available supply of sugar in the United States to effectuate our purpose that the housewife will get up to 50 pounds of sugar.

Mr. AUGUST H. ANDRESEN. We will do that, and we know we will have the help of the gentleman and other Members of Congress. But I want to point out that if the International Food Council, with the consent of the administration, decides to give that five or six hundred thousands tons to other countries of the world, then we will not get more than 35 pounds.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Arkansas.

Mr. HAYS. There has been a good deal of talk about dates. It is regrettable that the bill is not in the form in which it was originally introduced by the gentleman from Michigan, the chairman of our committee. There is no significance to the October 31 date except that that is the period when we hope the crop will be marketed and be ready for distribution, that is, it will be on the way. The impression is that the gentleman from Michigan introduced a bill which extended controls to March 31, 1948. That is a false impression. His bill provided that on October 31 of

this year the controls should end unless the Secretary of Agriculture should make a finding that this commodity continued in short supply, which is quite a different provision from the categorical ending of controls on a given date.

The point I want to make, and I make this comment chiefly from the standpoint of improving our legislative craftsmanship, is that Congress ought not to leave this situation in that condition, and the country ought not to be under any false impressions as to the possibilities that may confront us on October 31. There was a rather hopeful picture of the sugar situation presented by Dr. Marshall, who apparently knows a great deal about the situation. He said if growing continues, if the weather is favorable, there will be perhaps one of the finest crops not only in Cuba but in all parts of the world, and to that extent we can have a rather optimistic view of the future; but because of the action not only of this body but of the other body we are now left exposed to that potential hazard.

May I say in commendation of the chairman's action in that respect that I hope Congress will legislate with greater skill on situations of this kind and not walk away from the condition hopefully asserting that the crop will be abundant. If it is not abundant, we are going to have a situation between October 31 and January 1, when Congress reconvenes, that cannot be remedied by any action by any authority that we have placed in the hands of the Secretary of Agriculture.

I simply wanted to say with reference to the chairman's action that I thought the pattern which he laid out in his original bill is one that we ought to follow. It would hold the power in the hands of Congress and not turn us over to the cold processes of economic law, which have a way of bringing disaster. Certainly we do not want a repetition in the sugar situation of the condition that we had after the other war, when prices skyrocketed.

Mr. WOLCOTT. I am very grateful to the gentleman for his very valuable contribution.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Mississippi.

Mr. RANKIN. This measure carries with it the right to fix prices of sugar?

Mr. WOLCOTT. Yes.

Mr. RANKIN. The truth of the business is that sugar is being shipped from Cuba to other countries because it is higher in other countries in terms of our own money than it is in the United States. This measure is not going to cure anything. It reminds me of the fellow who wanted to fill up the empty barrel by pouring water in at the bung-hole with both ends knocked out. Here we are in a monetary inflation. I call attention again to the fact that it is the duty of the Committee on Banking and Currency to do something about it. This is not doing a thing in the world but perpetuating until October 31 a control that should have been taken off long ago. If we will take these controls entirely off, there will be enough sugar

coming to the United States, and produced in the United States, to supply the entire demand. As long as you keep this price fixing on you are going to have the same condition and the same reaction from the American people.

Mr. WOLCOTT. I think the gentleman is in substantial accord with the majority thinking of the Committee on Banking and Currency, except, of course, that we do have export controls and we do allocate the world supply of sugar throughout the world under the International Emergency Food Council; so the statement which the gentleman made that the bulk of the sugar is moving to foreign countries because of better price, in view of the exchange conditions at the present time, probably is not warranted.

I think we are all looking toward the same end as the gentleman. That is surely in keeping with the principle which the gentleman announces. I know the committee will follow through because it is our impression that we should remove these controls just as quickly as we possibly can.

Mr. RANKIN. I am informed that all the sugar that is produced in Cuba and other countries is to be shipped anywhere except the United States, as long as we hold this price down, while our currency is inflated, from less than \$5,000,000,000 to almost \$30,000,000,000. Unless we attempt to restrict inflation of the currency, we are going to keep the American people from getting the amount of sugar they need.

Mr. WOLCOTT. The gentleman might be misinformed. We buy the entire exportable Cuban sugar crop and accept an allocation under the agreement with the International Emergency Food Council.

Mr. MARTIN of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MARTIN of Iowa. I brought up a point during the previous debate on this bill regarding towns that have had an unusual increase in population. The situation with reference to that has been made much clearer by the wording of this bill. The responsibility for meeting that situation is squarely in the hands of the Secretary of Agriculture.

Mr. WOLCOTT. I think that situation will be somewhat helped.

Mr. MARTIN of Iowa. How soon will he be able to put this program as outlined in the present bill into effective operation?

Mr. WOLCOTT. Theoretically, tonight at 12:01 a. m.

Mr. MARTIN of Iowa. And all appeals should be made to him directly?

Mr. WOLCOTT. Yes, sir.

Mr. MARTIN of Iowa. I have one other situation in mind. Suppose a bakery is starting out in a rather large town, and there is no historic basis for the allocation of sugar; that is, a new bakery and there is no other bakery serving that community. That would come squarely within section 1 of this bill also?

Mr. WOLCOTT. It is my impression that it would definitely come under that.

Mr. MARTIN of Iowa. The Secretary of Agriculture has authority under sec-

tion 1 to grant authority to a new bakery serving a community exclusively to furnish them sugar immediately?

Mr. WOLCOTT. He has very wide authority in that respect.

Mr. WOLVERTON. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. WOLVERTON. Just a moment ago the gentleman from Mississippi made some reference to the duty or obligation upon the Committee on Interstate and Foreign Commerce in connection with this matter.

Mr. RANKIN. I meant to say the Committee on Banking and Currency. I beg the gentleman's pardon.

Mr. WOLCOTT. When I answered the gentleman from Mississippi I did so having in mind that he said the Committee on Interstate and Foreign Commerce. But I can assure the gentleman that the whole question of credit and controls will continue to have the attention of our committee.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. RANKIN. Until the Congress of the United States takes back the power vested in it by the Constitution to coin money and regulate the value thereof, you are going to have this wild and unlimited inflation that we are suffering from now, and you are not going to cure anything by attempting to fix prices and control the supply.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. DINGELL. The guaranty provisions as to quantity which have been written in the conference report provide 35 pounds and possibly up to 50 pounds for the housewives.

Mr. WOLCOTT. We guarantee 35 pounds for the housewife and then provide that any increase over the estimates will be allocated to her until she has received up to 50 pounds.

Mr. DINGELL. Essentially that is my understanding of it. Even if that were not in the bill, the governmental authority having to do with the rationing and distribution of sugar would certainly not sanction hoarding sugar in storage, would they?

Mr. WOLCOTT. The House committee felt that the amount of available sugar should be made available as quickly as possible to the housewife. I think the hearings indicate she would get at least 35 pounds. As a matter of fact, I think we assured the House when the matter was under consideration that she would get 10 pounds more than last year. So the 35 pounds written in the Senate language made no additional guarantee. She would have gotten 35 pounds regardless of that action.

Mr. DINGELL. But if the volume of sugar produced was less than would permit distribution per capita in the amount of 35 pounds, the guarantee in itself would mean nothing, would it?

Mr. WOLCOTT. Yes. We assure her that she is going to get 35 pounds.

Mr. DINGELL. On the visible supply? It might be more on the estimated world supply of sugar.

Mr. WOLCOTT. To be practical and realistic about it, we are confident there will be enough sugar so without any guaranty in the law she would have gotten 35 pounds anyway, and we hope she can get up to 50 pounds.

Mr. DINGELL. That is what I am trying to bring out, but that will depend on the present maturing crop—that is, the total volume, not alone in the United States and off-shore sugar-producing areas, but the world supply of sugar. That will be the deciding factor as to how much sugar the housewives will get and what the commercial user of sugar will get.

Mr. WOLCOTT. Yes. The available supply is getting better and better. The prospect of increases seems to be getting better.

Mr. DINGELL. Is the gentleman fully satisfied with the provisions having to do with the controls of sugar inventories?

Mr. WOLCOTT. Personally, I am reasonably well satisfied with the provisions in respect to inventory controls.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. AUGUST H. ANDRESEN. I have received a great many letters from people saying there is a large amount of sugar in storage throughout the country—in the stores. I want to point out to the gentleman that before the end of this week more than a billion pounds of that sugar will pass from the warehouses and stores into the hands of consumers, with this new 10-pound ration stamp which will go on April 1.

Mr. WOLCOTT. The gentleman has answered the question which was asked a while ago much better than I did, and has clarified the situation.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. RANKIN. If the Congress were to refuse to adopt this conference report or pass this bill, as I understand it, the controls on sugar would go off now; is that correct?

Mr. WOLCOTT. Tonight at 12 o'clock.

Mr. RANKIN. Well, I am for that.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. CRAWFORD. Will the gentleman refer to page 6 of the conference report, the language with reference to the reduction from 50,000 to 25,000 tons? Is that 25,000 tons there referred to the same as the tonnage referred to in section 3 of subparagraph (b) on page 2?

Mr. WOLCOTT. Where it is broken down into 12,500-ton lots?

Mr. CRAWFORD. Yes.

Mr. WOLCOTT. Yes. May I say to the gentleman the Senate had provided 50,000 tons for the full year, up to March 31st. The conferees cut it in half. It had been allocated on a quarterly basis, but extending it to October 31st the gentleman will see runs it over into the fourth quarter. So we had to divide it there somewhere, and we divided it on June 30, 1947.

Mr. CRAWFORD. One additional question on that same 25,000 tons: Is it

out of that reserve, 12,500 tons quarterly, that the Secretary is to have the possibility of meeting, for instance, a very heavy fruit production, say in California or western Michigan or some other heavy fruit-producing State? In other words, can he take from that 25,000 tons the necessary sugar to increase the commercial or industrial allotment in an area where there is a great fruit crop?

Mr. WOLCOTT. I think I have answered the question. It is my understanding that with the sugar which should be made available for the classifications which the gentleman calls attention to is in addition to the minimum of 25,000 tons.

Mr. CRAWFORD. Where would that language appear? That is what I should like to clear up.

Mr. WOLCOTT. To be frank with the gentleman, I do not know as it is too specific. That is my understanding, and I think the understanding of the conferees.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

VISIT OF THE PRESIDENT OF MEXICO MAY 1, 1947

Mr. HALLECK. Mr. Speaker, for the information of the House I want to announce that the President of Mexico, His Excellency Miguel Aleman, will address a joint meeting of the Members of the Senate and House on Thursday, May 1, 1947, at 12:30 p. m.

I ask unanimous consent that it may be in order for the Speaker to declare a recess at any time on Thursday, May 1, such recess to be subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from South Dakota [Mr. MUNDT] may extend his remarks in the RECORD and include therein an article by him on Government control of sources of information, which appears in the current issue of the American Academy of Political and Social Science.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. WOLCOTT asked and was given permission to revise and extend the remarks he made earlier in the day.

Mr. McCORMACK (at the request of Mr. RAYBURN) was given permission to extend his remarks in the Appendix of the RECORD in two instances and to include therein two letters.

PERMISSION TO ADDRESS THE HOUSE

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was on objection.

GREECE AND TURKEY

Mr. DONDERO. Mr. Speaker, Constantine Brown, able and popular foreign analyst of the Washington Star, and his charming wife have been in Europe since last January. Mrs. Brown, the former Helen Lombard, is one of the best known women in Washington, herself a scribe of wide experience, brilliant author of a book entitled "Washington Waltz," a volume dealing with the diplomatic life of Washington, and of a recent book entitled "While They Fought," which depicts events behind the scenes in our Nation's Capital during 1941 to 1946. They are now visiting Turkey.

In yesterday's Star, Mr. Brown points out that the guerrilla bands which have been and are now harrassing the feeble Government of Greece were organized in other Balkan countries. They are large and powerful. They are well equipped and well supplied with stores of all kinds, derived mainly from two sources, UNRRA and lend lease from the United States. How did they get them?

Now we are asked to send more supplies to those countries to stop the march of communism. What assurance have we that such supplies will not also fall into the hands of these communistic guerrilla bands and be used against us to defeat the very purpose for which they are sent?

It is tragic indeed that while we appease and coddle Communists in the United States we are urged to send supplies to halt their progress in other parts of the world.

COMMITTEE ON BANKING AND CURRENCY: PERMISSION TO SIT DURING SESSION OF HOUSE

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon notwithstanding that the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

BOY SCOUT JAMBOREE IN FRANCE

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent for the present consideration of H. R. 1621 to authorize the Secretary of War to lend War Department equipment and provide services to the Boys Scouts of America in connection with the World Jamboree of Boy Scouts to be held in France, 1947; and to authorize the Commissioner of Internal Revenue to provide exemption from transportation tax; and further to authorize the Secretary of State to issue passports to bona fide Scouts and Scouters without fee for the application or the issuance of said passports.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lend,

at his discretion, to the National Council, Boy Scouts of America, for use at the World Jamboree, Boy Scouts, to be held in France, in the months of July and August 1947, the following: 225 canvas bags, 1,200 duffel bags, 2,900 wool blankets, 200 vinegar bottles, 200 sugar bowls, 1,200 canvas watering buckets, 205 tent oil-stove burners, 25 corrugated nesting galvanized cans (24 gallon), 210 corrugated nesting galvanized cans (32 gallon), 1,200 meat cans, 200 five-gallon water cans, 1,200 aluminum canteens, 225 flag cases, 1,300 folding chairs, 200 alarm clocks, 100 round insulated containers, 1,250 folding canvas cots, 1,200 canteen covers, 1,200 aluminum canteen cups, 10 empty field desks, 25 five-gallon gasoline drums, ten 55-gallon gasoline drums, 225 national standard flags, 225 wooden flagstaves, 1,500 forks, 100 halazone tablets (bottles), 25 immersion type lantern heaters, 1,500 knives, 225 gasoline lanterns, 1 stencil-duplicating machine, 2,850 pillowcases, 1,250 feather pillows, 500 sirup pitchers, 300 water pitchers, 200 mustard pots, 200 stock pots, 7 field ranges, 25 latrine screens, 10 field safes, 200 pepper shakers, 200 salt shakers, 160 cotton bed sheets, 1,500 spoons, 205 tent stoves, 10 folding camp tables, 120 mess tables, 3 assembly tents, and 200 squad tents: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered at such time prior to the holding of the said jamboree as may be agreed upon by the Secretary of War and the National Council, Boy Scouts of America: *Provided further*, That the Secretary of War before delivering said property shall take from the said Boy Scouts of America a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

SEC. 2. That the Secretary of War is further authorized, at his discretion and without expense to the United States, to provide transportation from the United States and return, on a vessel of the Army Transport Service, to those Boy Scouts of America and Scouters certified by the National Council of the Boy Scouts of America, attending this jamboree. That the amounts paid to the United States to reimburse it for expenses incurred under sections 1 and 2 of this act shall be deposited to the credit of such of the current appropriations for the support of the Army as bear such expenses, and shall be available for the same purposes as those appropriations.

SEC. 3. The taxes imposed by sections 3469 and 3475, or any comparable sections that may now or during 1947 be in effect, of the Internal Revenue Code, shall not apply to amounts paid for ocean transportation to the persons and property herein and above described attending this jamboree.

SEC. 4. That under such regulations as he may prescribe the Secretary of State be, and he is hereby, authorized to issue passports to bona fide Scouts and Scouters of the Boy Scouts of America who are citizens of the United States or, if not citizens of the United States, who owe permanent allegiance to the United States upon certification by the National Council, Boy Scouts of America, as to their qualifications to attend this jamboree as representing the National Council, Boy Scouts of America, without fee for the application of the issuance of said passports.

With the following committee amendments:

Page 3, line 9, after the word "tents", insert "and such other equipment as may be required by the Boy Scouts of America which is available from American stocks."

Page 4, line 23, strike out the word "of" and insert "for or."

The committee amendments were agreed to.

Mr. JOHNSON of California. Mr. Speaker, I wish to announce that my colleague the gentleman from Arkansas [Mr. HAYS] introduced a similar bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ROHRBOUGH asked and was given permission to extend his remarks in the RECORD and include an editorial from the Clarksburg Telegram entitled "Congress Keeps a Promise."

Mr. PLUMLEY asked and was given permission to revise and extend the remarks he will make in the Committee of the Whole today and to include certain statistics, tables, and a report.

Mr. TWYMAN asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD and include correspondence between himself and Mr. Clayton, also an article from the New York Times and an address made over the radio.

Mr. JAVITS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a radio address.

Mr. JUDD asked and was given permission to extend his remarks in the Appendix of the RECORD in four instances, in each to include an article.

Mr. McDOWELL asked and was given permission to extend his remarks in the RECORD in two instances.

PERMISSION TO ADDRESS THE HOUSE

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FIRST REPORT OF THE COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. McDOWELL. Mr. Speaker, by direction of the House Committee on Un-American Activities, I would like to announce that today the committee issues its first report, a 56-page highly documented report entitled "The Communist Party of the United States as an Agent of a Foreign Power."

Mr. Speaker, the facts contained in this pamphlet are the result of intensive study of several experts which, in one case, has extended over a period of 30 years of Communist activities and observations both in and out of the Communist Party.

The entire tenor of the contents of this report can be gained in the first four sentences, which I would like to read:

The Communist movement of the United States may be properly characterized as—

1. An organization operating under centralized discipline subordinated to the Communist Party of the Soviet Union, the single and ruling party of that country.

2. A section of a World Communist Party, controlled by the Communist Party of the Soviet Union.

Value of total imports for specified foreign countries and the proportion coming from the United States—Continued

[Value of figures in thousand dollars—old gold, 1920 to 1932, inclusive; currency, 1933-38]

	Value of total imports	Per cent	Imports from United States	Per cent
BRAZIL—continued				
Trade-agreement years:				
1935.....	224,796	100	52,328	23.2
1936.....	246,718	100	54,661	22.1
1937.....	330,554	100	76,410	23.1
1938.....	295,369	100	71,518	24.2
Average.....				23.1
GERMANY				
Protective-tariff years:				
1926.....	2,380,336	100	381,528	16.0
1927.....	3,380,587	100	492,045	14.5
1928.....	3,340,700	100	483,452	14.4
1929.....	3,201,681	100	425,676	13.2
The depression years:				
1930.....	2,475,648	100	311,272	12.5
1931.....	1,602,390	100	188,520	11.7
1932.....	1,111,560	100	140,968	12.6
1933.....	1,694,199	100	194,573	11.4
1934.....	1,752,600	100	146,743	8.3
Trade-agreement years:				
1935.....	1,674,187	100	96,891	5.7
1936.....	1,699,707	100	93,581	5.5
1937.....	2,198,506	100	113,506	5.1
1938.....	2,430,602	100	182,562	7.5
JAPAN				
Protective-tariff years:				
1926.....	1,120,271	100	320,504	28.6
1927.....	1,033,137	100	319,394	30.9
1928.....	1,019,310	100	290,311	28.4
1929.....	1,021,687	100	310,519	29.5
Average.....				29.3
The depression years:				
1930.....	763,595	100	218,739	28.6
1931.....	609,929	100	168,954	27.7
1932.....	402,384	100	143,325	35.6
1933.....	652,355	100	211,276	32.3
1934.....	678,282	100	228,663	33.7
Average.....				31.7
Trade-agreement years:				
1935.....	709,697	100	232,507	32.7
1936.....	802,076	100	246,062	30.6
1937.....	1,088,344	100	365,502	33.5
1938.....	757,775	100	260,667	34.3
Average.....				32.7

Cost of Postwar Aid

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Monday, March 31 (legislative day of Monday, March 24), 1947

Mr. JOHNSON of Colorado. Mr. President, the "Kitty" is growing. Already the United States has pledged \$20,000,000,000 for postwar aid. Certainly, a huge sum is needed to get world economy back on the track, after the most devastating war in history. The assessed valuation of all private property of all the States west of the Mississippi, not including Texas and California, is about \$20,000,000,000. Now we are asked to make the first down payment of \$400,-

000,000 to build an American Maginot line on the Dardanelles. I say "first down payment" advisably. If we are to stop Russia on the Black Sea it will cost us \$400,000,000,000, not \$400,000,000. In this connection, the New York Times, on Sunday, March 30, carried an interesting article under the headline "\$20,000,000,000 Paid for Postwar Aid." I ask unanimous consent to insert this article in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWENTY BILLIONS PAID FOR POSTWAR AID—THAT IS THE COST SO FAR OF OUR HELP TO OTHER NATIONS AND THE AMOUNT IS BOUND TO INCREASE

(By Bertram D. Hulén)

WASHINGTON, March 29.—The Truman doctrine of providing assistance for free nations that are in imminent danger of succumbing to Communist pressure has thrown into high relief our entire program of foreign assistance since the cessation of hostilities.

While precise figures are not yet available in exact amounts down to the last dollar, the round estimate is made that the total of such payments since the end of the war is approximately \$20,000,000,000. This probably will not be found far off from the final official figure that is arrived at through the present study.

Admittedly, \$20,000,000,000 is a sizable figure. It approaches the total of our debt as a result of our participation in World War I, even though it is only a fraction of the debt produced by World War II.

As matters stand, the budget for the fiscal year 1948 that will begin on July 1, 1947, calls for appropriations of nearly \$3,500,000,000 for the several purposes covered in our foreign programs.

This figure, of course, does not include the requests made by President Truman for aid to Greece and Turkey. He has asked for \$400,000,000 for them and in circumstances that do not necessarily mean that this will be all as the program of assistance proceeds.

ESTIMATE IS UNCERTAIN

The approximate estimates that are thus far available include not only actual expenditures but also commitments and funds that have been earmarked for specific purposes, all covering foreign financing, relief and rehabilitation, credit, supplies, and, in general, the many aspects of our far-flung activities.

Of the major items, the British loan amounts to \$3,750,000,000. Our contributions to the International World Bank call for outlays of \$3,175,000,000 and to the International Monetary Fund of \$2,750,000,000.

We increased the capital of the Export-Import Bank after hostilities by \$2,800,000,000 to \$3,500,000,000, practically all of which has been expended or earmarked so that the bank is scraping the bottom of the barrel.

The cost to us of winding up lend-lease, of emptying the pipe line after hostilities, is placed at \$1,200,000,000. But \$700,000,000 should be added to this sum in the calculations because of an authorization to China after VJ-day in that amount as regular war-time lend-lease.

Surplus-property disposals are estimated to have cost us over \$5,000,000,000. Goods valued after deterioration at \$7,200,000,000 have brought a return of only \$1,700,000,000. Yet, it is not considered fair to place this in the rank of outright contributions, since the sales represented a liquidation operation.

OCCUPATION COSTS

Similarly the costs of our armies of occupation are so involved in the set-up of the regular military establishments that it is

difficult to arrive at a true figure in terms of net outlay. But our officials have not liked pouring \$200,000,000 into Germany on this account and for relief every year.

Outlays for the Maritime Commission are placed at a net of \$107,000,000 since the war. Expenditures in behalf of the Philippines involve \$700,000,000 for war damages, rehabilitation, surplus materials, and budget purposes.

The budget recommendations for the fiscal year 1948 contemplated \$730,000,000 in Export-Import Bank loans, \$1,200,000,000 in further withdrawals by the British from their loan, \$650,000,000 for costs of occupation, \$555,000,000 for the UNRRA and relief purposes, \$137,000,000 for rehabilitation and other purposes in the Philippines, \$40,000,000 on an old RFC loan to the United Kingdom, and \$12,000,000 for the lend-lease pipe line.

Now to these are to be added the costs on behalf of Greece, Turkey, Korea, and perhaps other countries.

Communist Activities in the United States

EXTENSION OF REMARKS

OF

HON. TOM STEWART

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

Monday, March 31 (legislative day of Monday, March 24), 1947

Mr. STEWART. Mr. President, I ask unanimous consent to place in the Appendix of the RECORD an editorial from the Nashville Banner, published on Thursday, March 27, 1947. This is a very timely and well-written editorial concerning the activities of the Communists in the United States. As has heretofore been pointed out by our Secretary of Labor, the Honorable Lewis B. Schwellenbach, this editorial takes notice of the fact that all Communists and fifth columnists go by aliases. Either ashamed of their own names or afraid to let their correct names be known, because that would probably identify them as being un-American, they choose to steal real American names. This is true concerning the individuals as well as the Communist-front organizations. As stated in this editorial—and well stated—"communism is the living lie, the black is white, the end justifying the means, always holding in contempt the American institutions of truth and freedom which give it shelter."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A SKUNK BY ANY NAME

America might have more respect for the Communist Party if its members and fronts had more respect for the truth. These progressives, who go about the country shouting their love for true democracy and their contempt for fascism, are afraid to give their right names.

The true American has great pride in identifying himself.

The House Un-American Activities Committee has suggested the worthy plan of preparing a master list of Communist-front organization names, but it would be an endless task. The various shades of pink nomenclature would change like the chameleon.

Communist names are long names, typographical and misleading. The longer the moniker the more commies can hide behind

it. When they get too hot, the big words can tumble like tenpins and reappear in a different arrangement.

That was the case with the Young Communist League. When the FBI got too close the quick-change artists got to work and the next day there appeared the mock-patriotic title of American Youth for Democracy, the latter now seeking to replace the disfavored American Youth Congress once sheltered by the White House in the Rooseveltian era.

All fifth columnists go by aliases.

Witness the spectacle of the man who went before the Un-American Activities Committee Wednesday as Eugene Dennis, secretary of the Communist Party and top Red-policy maker, only he wasn't Eugene Dennis. He refused to say who he is.

Who is the Communist Party?

There you have the transparent heart and soul of communism. It is the living lie, the black is white, the end justifying the means, always holding in contempt the American institutions of truth and freedom which give it shelter.

End of Sugar Controls

EXTENSION OF REMARKS OF

HON. JOHN J. SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

*Monday, March 31 (legislative day of
Monday, March 24), 1947.*

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Congress Takes a Long-Shot Bet on Sugar," published in today's Washington Daily News.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS TAKES A LONG-SHOT BET ON SUGAR (By Peter Edson)

Congress has taken a terrible political gamble by voting to end all sugar price and rationing controls October 31.

Sugar experts believe it will develop like this:

Normally, October is the time when United States sugar stocks are at lowest levels. The home canning season is over. Ice-cream sales are down. The Christmas candy makers have acquired all their stocks and are processing them.

At this same time sugar supplies are flowing into the United States at the lowest rate. The last of the Cuban and West Indian crop, which is major source of supply, is harvested in June and comes to market in July and August. Only the Hawaiian crop, which is harvested all year round moves to the mainland in quantity during the late summer and early fall. The United States domestic cane and beet sugar crop isn't harvested till October, doesn't get to market till November.

HERE'S THE CATCH

The catch in this situation for consumers is that anyone in the sugar business, knowing that controls are coming off October 31, may start holding his supplies in September or August or even in July—hoping to make a killing at high prices in November and December.

Midwestern and California beet-sugar areas and Florida and Louisiana cane-sugar areas also stand a chance to make a killing. Their crops are harvested in the fall, their sugar hits the market in November. While this domestic sugar industry is planting heavily this spring, the size of the crop is limited

by the capacity of the mills. It's about 2,000,000 tons for beet sugar, 500,000 tons for cane. Just enough for a nice fall clean-up.

It was political pressure from these cane and beet areas which was largely responsible for removing controls October 31. Republican Representatives JESSE WOLCOTT and FRED CRAWFORD, of Michigan. Democratic Senators JOHN OVERTON and ALLEN ELLENDER, of Louisiana. Republicans JOE MCCARTHY from Wisconsin, HUGH BUTLER and KENNETH WHERRY from Nebraska.

In debate on the floor, the whole issue was put on the high ground of getting more sugar for the housewife. Actually, the principal motive of the politicians seems to have been a desire to get rid of controls—even if they were good controls.

PEPSI WANTED OUT

In hearings before Senate and House Banking Committees which handled this legislation, practically everyone in the sugar business favored retaining the controls till next December 31 or March 31. There was one exception. That was the Pepsi-Cola Co., whose spokesman wanted controls taken off immediately. All the others agreed that decontrol now would bring only chaos.

Another argument which the congressional supporters of decontrol advanced was that there were larger sugar supplies in sight than was generally admitted. Early reports from Cuba indicate that the 1947 crop may be five and a half or six million tons, instead of the 5,000,000 tons originally estimated.

If these bumper crop predictions are fulfilled, the situation may be saved. If there should be a crop failure, the shortage would be worse than is now anticipated.

No responsible sugar expert will predict now how short the supply might be next fall, nor how high the price might go. But if there is a shortage, it is generally agreed that the industrial users will stand a far better chance to get what there is and that consumers will be left on the short end.

NO HOPE OUTSIDE

World production outside the United States and the West Indies offers little hope for additional supplies. European sugar-beet production may be better than last year but still not back to normal, which was never enough to take care of European needs. The Philippines will have little export sugar before 1948. Nobody knows what the situation is in Java, which produced no export sugar in 1945 or 1946.

Brazil, Peru, and the Argentine may have better yields than normal. There will be plenty of competition for these crops at high prices. Only the import controls of the extended war powers act can prevent American sugar dealers from bidding up the world price in frantic efforts to get sugar for next fall's boom market.

In general the sugar industry is afraid of high prices, even if it does mean big quick profits for one year. Too many sugar men remember what happened after World War I, when sugar went to 40 cents a pound. Next year they were all broke.

RECORD an editorial from a very lively and alert weekly newspaper, the Lake County Banner, published in Tiptonville, Lake County, Tenn.

This editorial concerns the so-called hot-lunch program for schools; and it points out that, while there may be some debate as to the right of the Government to continue, on a permanent basis, to obligate the Federal Government for money for the things which have been subsidized during recent years, nevertheless there is little justification for discontinuance of Federal aid to the school-lunch program. The editorial well states that the benefits accruing to the Nation from this program justify its continuance. The editorial states that statistics on the subject show that children are less inclined to play truant or otherwise be absent from school when they know they will get a hot lunch in the middle of the day at the schoolhouse.

This editorial also points out that the Parent-Teachers Association is largely responsible for the continuance of the hot-lunch program.

Disturbed somewhat by the report that the program of economy may cause the discontinuance of this important aid, the writer of the editorial calls upon people to give very careful consideration to the good that hot lunches in schools do to the children, before the ax is wielded in the name of economy.

This is a good editorial, Mr. President, and a well-considered one; and I should like to add my endorsement to it, and to point out that the total cost of this program is, by comparison, so small that when all considerations are taken into mind, it will be seen that it would prove to be false economy and serious evidence of short-sightedness on the part of Congress to permit its discontinuance. We are told that the total cost of this program throughout the entire United States was but about \$57,000,000 in 1946; yet we talk of lending 10 times that much money to Greece, and we have already loaned nearly 100 times that much to Great Britain.

A well-balanced, nourishing, and tasty hot meal given to a child in the middle of the day does him untold good. I have talked to teachers who have seen the benefits of this lunch program, and they tell me that the students are far better off, both physically and mentally, by reason thereof. I hope it will not be discontinued, and I say this in the interest of the health and general welfare of the children of this country.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEDERAL AID AND HOT LUNCHES

That Federal aid and subsidies to State and smaller governmental units and aid to economic groups, such as adjustments for farmers, tariffs for industry, and so on, are justified permanent obligation of the Federal Government is debatable. These benefits caught on during the New Deal regime in efforts to break the economic log jam of depression, and the American public is not showing an overamount of militancy to shake the "gimme" psychosis and to strike out on the old basis of laissez faire—"sink or swim"—the credo of our more robust past.

We feel that there is, perhaps, more justification for Federal aid to school-lunch programs than for most any of the numerous

The School-Lunch Program

EXTENSION OF REMARKS OF

HON. TOM STEWART

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

*Monday, March 31 (legislative day of
Monday, March 24), 1947*

Mr. STEWART. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL

[PUBLIC LAW 30—80TH CONGRESS]

[CHAPTER 30—1ST SESSION]

[H. J. Res. 146]

JOINT RESOLUTION

To extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar, and for other purposes.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provisions of law, the Emergency Price Control Act of 1942 (56 Stat. 23); the Stabilization Act, 1942 (56 Stat. 765); title III of the Second War Powers Act, 1942 (56 Stat. 177), and the amendment to existing law made thereby; title XIV of the Second War Powers Act, 1942 (56 Stat. 177); and section 6 of the Act of July 2, 1940 (54 Stat. 714), all as amended and extended, shall continue in effect with respect to sugar to and including October 31, 1947, except that authority to continue inventory controls over other than household users may be exercised to and including March 31, 1948: *Provided, however, That—*

(1) the authority contained herein shall not be deemed (i) to permit the allocation or rationing of any product (other than the allocation of such product imported or brought into the continental United States) unless a regulation providing for allocation or rationing thereof was in effect on February 18, 1947, or (ii) to permit price control over any product unless a price-control regulation with respect thereto was in effect on February 18, 1947;

(2) no person shall be subject to any criminal penalty or civil liability, under any provision of law referred to above, on account of any act or omission which is made unlawful by section 4 of this Act;

(3) no provision of section 204 (d) or (e) of the Emergency Price Control Act of 1942, as amended, shall apply (i) in any proceeding, involving a regulation or order with respect to sugar, in which an injunction or other order of a court is hereafter applied for, or (ii) in any proceeding, under section 37 of the Criminal Code, which is based on a conspiracy involving any act or omission which is made unlawful by section 4 of this Act;

(4) in the case of any regulation or order with respect to sugar, no protest may be hereafter filed under section 203 of the Emergency Price Control Act of 1942, as amended; and

(5) hereafter no person shall be required to secure a license, and no license shall be issued to any person, under section 205 of the Emergency Price Control Act of 1942, as amended, for the purpose of providing for the enforcement of any regulation or order relating to sugar.

(b) The Secretary of Agriculture, in exercising the powers, functions, and duties transferred to him by section 3 of this Act—

(1) may allocate sugar without regard to the provisions of title II of the War Mobilization and Reconversion Act of 1944 (58 Stat. 787);

(2) shall allocate refined sugar for home consumption at a rate of not less than thirty-five pounds per capita per calendar year, and any increase in the amount of sugar available for allocation in the calendar year 1947 over the amount recommended by the International Emergency Food Council for allocation to the United States for 1947 shall be allocated for home consumption until the allocation for such use equals fifty pounds of refined sugar per capita; and

(3) shall, in a manner consistent with the maintenance of an effective national allocation and rationing program, make available, for other than provisional-allotment users, not less than twelve thousand five hundred tons of refined sugar during the period from the date of the enactment of this Act to and including June 30, 1947, and not less than twelve thousand five hundred tons of refined sugar during the period from July 1, 1947, to and including October 31, 1947, to provide for the needs of hardship cases, for the needs of new industrial-sugar users (with particular reference to the needs of shortage areas caused by population shifts) and for the needs of those who have an insufficient base period history to operate currently at competitive levels (and shall consider, as a determining factor in those cases where there is such insufficient base period history, the rate of growth of such user prior to the base period year).

SEC. 2. Prior to the expiration of the authority granted by this Act, the Secretary of Agriculture is hereby authorized and directed to remove any or all controls with respect to any product over which control is authorized by this Act when he determines that the supplies of sugar are sufficient to warrant such action.

SEC. 3. (a) The powers, functions, and duties of (1) the President under title III of the Second War Powers Act, 1942, and the amendment to existing law made thereby; (2) the President or any executive department under section 6 of the Act of July 2, 1940; (3) the Price Administrator under the Emergency Price Control Act of 1942; and (4) the President and the Price Administrator under the Stabilization Act of 1942, all as amended and extended (and irrespective of what officer, department, or agency may be now exercising any such power, function, or duty) are, insofar as they relate to sugar, hereby transferred to and shall be executed by the Secretary of Agriculture.

(b) Every order, directive, rule or regulation relating to any power, function, or duty transferred by subsection (a) of this section, issued by any officer, department, or agency heretofore performing such power, function, or duty, which is not in conflict with the provisions of this Act and which is in effect on the date of the enactment of this Act, shall continue in full force and effect, according to its terms, unless and until modified or rescinded by the Secretary of Agriculture.

(c) So much of the unexpended balances of appropriations, allocations, or other funds, and the property, available for the use of any

officer, department, or agency in the exercise of any power, function, or duty transferred by subsection (a) of this section or for the use of the Secretary of Agriculture in the exercise of any power, function, or duty so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of such powers, functions, or duties. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such balances of appropriations, allocations, or other funds prior to the transfer. Such personnel as the Director of the Bureau of the Budget determines to be required may also be transferred temporarily to the Department of Agriculture pending termination of the powers, functions, and duties transferred by subsection (a) of this section. The annual and sick leave of personnel so transferred shall be transferred with them; and they shall be entitled to the benefits of section 14 of the Veterans' Preference Act of 1944 to the same extent and effect as though they had remained employees of the agency from which transferred until the termination of such powers, functions, and duties. Any personnel so transferred shall not, by virtue of their temporary employment in the Department of Agriculture, acquire or be entitled to any right to employment in such Department in connection with the exercise of any power, function, or duty other than one transferred under this Act. There are authorized to be appropriated to the Secretary of Agriculture such sums as may be necessary to carry out the provisions of this Act.

SEC. 4. (a) It shall be unlawful for any person to do or omit to do any act, in violation of any order, directive, rule, or regulation continued in effect by section 3 (b) of this Act or issued in the exercise of any power, function, or duty transferred by section 3 (a) of this Act.

(b) It shall be unlawful for any officer or employee of the Government, or for any adviser or consultant to the Secretary of Agriculture in his official capacity, to disclose, otherwise than in the course of official duty, any information obtained under this Act, or to use any such information, for personal benefit.

(c) Any person who willfully violates any provision of this section shall, upon conviction thereof, be subject to a fine of not more than \$5,000, or to imprisonment for not more than two years in the case of a violation of subsection (b) and for not more than one year in all other cases, or to both such fine and imprisonment.

SEC. 5. As used in this Act—

(a) The term "person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment provided by this Act shall apply to the United States, or to any such government, political subdivision, or agency.

(b) The term "sugar" means any grade or type of saccharine product derived from sugarcane, sugar beets, or corn, including liquid sugar,

sirups, molasses, or mixtures thereof, and sugar-containing products, which contain sucrose, dextrose, or levulose.

SEC. 6. (a) Section 2 (a) of the Administrative Procedure Act, as amended, is amended by inserting after "Surplus Property Act of 1944;" the following: "Sugar Control Extension Act of 1947;"

(b) This Act may be cited as the "Sugar Control Extension Act of 1947".

Approved March 31, 1947.